

WASHINGTON STATE

OFFICE OF ADMINISTRATIVE HEARINGS



– 2007 Application –

Washington State Quality Award

The OAH Mission is to hold fair and independent hearings for the public and for government agencies and to issue sound and timely decisions.

The Washington State Quality Award
2007 Application - Washington State Office of Administrative Hearings

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Confirmation E-mail

Email from WSQA showing OAH's Eligibility Determination Form has been received by the required due date and identifying the due date for the application.

>>> "Jennifer Sprecher" <cpc@cpc-international.com> 8/31/2007 10:35 am >>>

We are pleased to receive your eligibility form for the Full Examination Award cycle. We look forward to the receipt of our application by postmarked by October 16, 2007 (in the event that this is a non-working day for the US Postal Service, we will accept a postmark by the next working day). Please save this e-mail as confirmation of the receipt of your eligibility form. You will be asked to submit a copy of this confirmation with your application. We understand that the \$150 eligibility form fee was sent under separate cover. Thank you.

Thank you.

Jennifer Sprecher

Executive Director

Washington State Quality Award

206-713-5455 (cell)

360-697-2444 (office)

P.O. Box 609, Keyport, WA 98345

Become your internal expert in Performance Excellence by becoming a WSQA Examiner. Visit our website at <http://www.wsqa.net/applicationEx.htm> for more information and an application.

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Eligibility Determination Form

This form is valid for one year from the date signed.

Applicant

Organization Name (as you would like it to appear on an award, should you be a recipient):

Washington State Office of Administrative Hearings

Address:

PO Box 42488, 2420 Bristol Court SW, Olympia, WA 98504-2488

Sector

Check appropriate box to indicate sector and organization size.

☐ Business

☐ Not-for-Profit

☐ Healthcare

☒ Public

☐ Education

__161__ Number of Employees

Criteria Selected by Applicant (see Criteria for Performance Excellence above):

☒ Criteria for Performance Excellence

☐ Healthcare

☐ Education

Application Level

Application Fee (see fee table on Web site) to be submitted with application

☐ Lite (Assessment) \$_____ Desired submission date of application: January 1 April 1 July 1 October 1

☒ Full Examination **\$1500.00 application fee; \$150.00 eligibility fee**

Examiner Commitment:

(We committed 5 examiners last year: Roosevelt Currie, Jan Grant, Jody Keys, Gina Hale, and Anita Crawford Willis)

Name of Examiner: _____ E-mail _____ Phone _____

Submission date of Examiner Application: _____

Name of Examiner: _____ E-mail _____ Phone _____

Submission date of Examiner Application: _____

Name of Examiner: _____ E-mail _____ Phone _____

Submission date of Examiner Application: _____

Examiners must commit the year prior, during, or post application submission.

Applicant Headquarters

Indicate if the applicant's headquarters are located in the state of Washington. If the headquarters are not in Washington, please provide a brief explanation.

☒ Yes

☐ No

Applicant Size and Site Locations

Percent of Employees Located in the State of Washington: **100%**

Total Number of Sites: **7**

List a brief description and complete address for each site:

The office of Administrative Hearings has seven (7) field offices, which includes a Headquarters office located in the Olympia office building.

1. **OAHS Everett, 2722 Colby, Suite 610, Everett, WA 98201-3571**
2. **OAHS Seattle ES, 600 University St, Suite 1500, Seattle, WA 98101-1129**
3. **OAHS Seattle SHS, 1904 3rd Ave, Suite 722, Seattle, WA 98101-1100**
4. **OAHS Spokane, 221 N Wall St, Suite 540, Spokane, WA 99201-0826**
5. **OAHS Vancouver, 5300 MacArthur Blvd, Suite 100, Vancouver, WA 98661**
6. **OAHS Yakima, 32 N 3rd St, Suite 320, Yakima, WA 98901-2730**
7. **OAHS Olympia, 2420 Bristol Court SW, Olympia, WA 98504-2488**

Subsidiary Organizational Unit or Division

Indicate if the applicant is a unit, division, or other component of a larger parent organization. If the applicant is part of a larger parent organization, complete each of the additional items in this section.

- ☐ Yes, applicant is part of a larger parent organization
- ☒ No, applicant is not part of a larger parent organization

Parent Organization Name _____

Address _____

Highest Ranking Official of Parent Organization _____

Title _____

Telephone Number _____

Indicate if other units within the parent organization offer similar products or services. If other units do offer similar products or services, please provide a brief explanation.

- ☐ Yes ☐ No

Briefly describe any major business support functions that are provided to the applicant by the parent organization.

Highest Ranking Applicant Official in the State of Washington

Name: **Roosevelt Currie**

Title: **Chief Administrative Law Judge**

Address: **PO Box 42488, Olympia, WA 98504-2488**

Telephone Number: **360-664-2031**

Official Contact Person

Name: **Barb Cleveland** Title: **Executive Assistant**

Address: **PO Box 42488, Olympia, WA 98504-2488**

Telephone Number: **360-586-3169** Fax Number: **360-664-8721**

E-mail: **barb.Cleveland@oah.wa.gov**

Address Feedback Report to: ☒ Highest Ranking Official ☒ Official Contact Person ☐ Other
(If Other, specify name, title, address) _____

Fee

Enclosed is the eligibility fee. Make the check or money order payable to:
Washington State Quality Award.

Ethics

Answering "yes" to any of the following questions requires further explanation; however, this does not imply that the applicant will be automatically disqualified. Provide supporting explanations on a separate page that is included with this Eligibility Determination Form. A member of the Panel of Judges may contact the applicant for additional information

Has the applicant been fined during the past five years for violating environmental laws?

☐ Yes ☒ No

Have any of the applicant's senior executives/corporate officers been convicted of a felony during the past three years?

☐ Yes ☒ No

Has the applicant been fined for income tax delinquency during the past three years?

☐ Yes ☒ No

Is the applicant currently in the process of bankruptcy proceedings?

☐ Yes ☒ No

Has your organization been convicted, settled or received sanctions or adverse actions under law (including malpractice, fraud, etc.) regulations, accreditation or contract in the past 3 years?

☐ Yes ☒ No

Are you aware of anything about your organization that would bring embarrassment upon the Washington State Quality Award or the Governor if your organization was to be publicly recognized?

☐ Yes ☒ No

Disclosure and Release Statement

I attest that the information provided in this Eligibility Determination Form and the Application to be provided is accurate and true to the best of my knowledge. Full disclosure of any circumstances that may negatively affect the Award has been made with the submission of the Eligibility Determination Form. I understand that the Award program may verify this information, and that untruthful or misleading information may result in forfeit of the Award. Furthermore, I certify that our organization is not engaged in any activity past or present that could be deemed embarrassing to the State of Washington, The Honorable Governor of the state of Washington or the WSQA. I understand that I must immediately notify WSQA if our status changes in any of these areas during the next 12 months and that I may be asked to revalidate this disclosure during the 12 months.

I also understand that members of the Washington State Quality Award Board of Examiners will review this application. I agree to host the Examiner team and facilitate open and unbiased evaluation of our organization if we are selected for a Site Visit. I understand that our organization will be responsible for paying all reasonable travel and related expenses for the site evaluation team.

I also understand that with the submission of our application, our organization commits to providing at least one individual from our organization as an Examiner in at least one of the following application cycles: the year prior to our application, this application year or the next application year.

Signature of Highest Level Organization Official

Date

Printed Name: **Roosevelt Currie**

Title: **Chief Administrative Law Judge**

Address: **PO Box 42488, Olympia, WA 98504-2488**

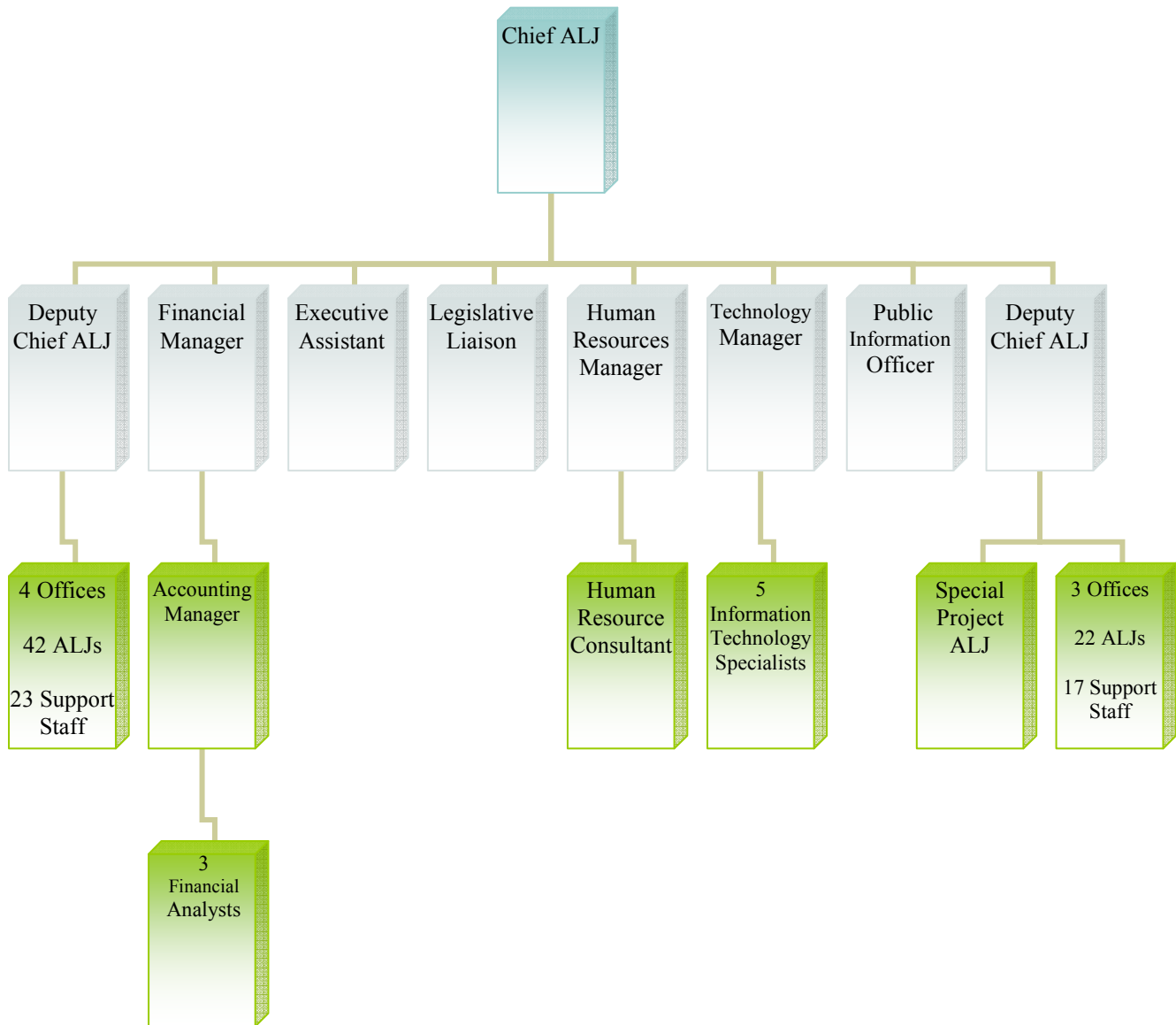
Telephone Number: **360-664-2031**

Send these documents to:

Washington State Quality Award
P.O. Box 609
Keyport, WA 98345

OFFICE OF ADMINISTRATIVE HEARINGS

Organization Chart



Glossary of Terms, Abbreviations, and Acronyms

ADA	Americans With Disabilities Act	OFM	Washington State Office of Financial Management
Appellant	Person or company appealing government action	PD	Position Description
ALJ	Administrative Law Judge	PDP	Performance and Development Plan
CFD	Combined Fund Drive	PIO	Public Information Officer
Chief ALJ	Chief Administrative Law Judge; the highest ranking judge at OAH	Pro bono	Free legal services provided by attorneys
CLE	Continuing Legal Education	RCW	Revised Code of Washington
CY	Calendar Year (January – December)	SPI	Office of the Superintendent of Public Instruction
DIS	Washington State Department of Information Services	SPP	Strategic Planning Process
DOP	Washington State Department of Personnel	SWOT	Strengths, Weaknesses, Opportunities, and Threats
DOL	United States Department of Labor	UI	Unemployment insurance
DSHS	Department of Social and Health Services	USDOL	United States Department of Labor
EMT	Executive Management Team	WA	State of Washington
ESD	Washington State Employment Security Department	WAC	Washington Administrative Code
FTE	Full Time Equivalent; an employee who works 2000 hours per year.	WALJA	Washington Administrative Law Judges Association
FY	State Fiscal Year (July – June)	WSBA	Washington State Bar Association
FFY	Federal Fiscal Year (October – September)	WSQA	Washington State Quality Award
GMAP	Government Management Accountability and Performance		
HR	Human Resources		
IT	Information Technology		
MVV	Mission, Vision, and Values		
NAALJ	National Association of Administrative Law Judges		
NAWJ	National Association of Women Judges		
NJC	National Judicial College		
OAH	Washington State Office of Administrative Hearings		

P.0 Organizational Profile

P.1 Organizational Description

The Washington State Office of Administrative Hearings (OAH) is a state agency whose mission is to conduct timely, quality, independent administrative adjudications, also known as hearings. A hearing is an official procedure where all parties have an opportunity to present evidence supporting their positions. OAH provides parties with an opportunity to cross-examine witnesses. An Administrative Law Judge (ALJ) presides over the hearing, creates an official record for review at a higher level, and issues a decision that resolves the case. The legislature created OAH in 1981, in law now found in Chapter 34.12 of the Revised Code of Washington. OAH is a quasi-judicial entity—*i.e.*, it is an administrative agency with an adjudicative function. It is a part of the executive branch of Washington State government and has statewide jurisdiction.

OAH employs ALJs and professional support staff to assist ALJs in fulfilling their duties. ALJs must be experienced attorneys prior to hire. Members of the public may request that actions taken against them by specific state agencies be reviewed at a higher level. This request for review is called an appeal. The independent ALJs from OAH hear appeals from decisions issued by a variety of state agencies. OAH assigns a knowledgeable and impartial ALJ to conduct the hearings. Entities like OAH are often called “central-panel agencies” because a central panel of ALJs in one agency decides cases for other state agencies.

OAH conducts hearings for approximately 30 different agencies, though OAH conducts the majority of hearings for just two large agencies, the Employment Security Department (ESD) and the Department of Social and Health Services (DSHS). OAH conducts hearings for these two agencies on a high-volume basis. Cases for other agencies are low volume.

Figure P.1-1 Agency Snapshot

Annual Budget	\$16,518,500
Products	Administrative Hearings and Written Orders
Jurisdiction	State of Washington
Orders Issued Yearly	50,000 - 59,000 (varies)
Service Sites	Everett, Olympia, Seattle (2), Spokane, Vancouver, Yakima
Permanent Staff	172
Temporary Staff	27 ALJs Pro Tem 9 Temporary Support Staff

P.1a. Organizational Environment

P.1a(1) OAH’s primary products are contested hearings and administrative orders. Through the hearing, OAH soothes Washington citizens and companies by providing a peaceful venue where a neutral ALJ hears grievances. Through

administrative orders, ALJs communicate their detailed rulings to the parties in legal, but plain language.

Hearing Services — OAH’s services include hearings in contested cases, mediation services in cases for the Office of Superintendent of Public Instruction, and professional outreach in the form of public service presentations, training sessions, and participation with other legal organizations in the administration of justice. OAH also provides public service by sharing its hearing room space with other agencies. OAH also serves a customer service function by addressing the non-hearing needs of the public at field offices. Instead of referring people to other agencies, OAH requires staff to act — answer questions, provide photocopying services, and allow the use of telephone or fax as needed. OAH strives to be an agency with excellent customer service at all levels.

Manner of Hearings — OAH conducts hearings in person, by telephone, or by a combination of the two. One office recently participated in a pilot project to test the feasibility of conducting child support hearings by videoconference.

Orders — After completing the hearing, ALJs draft an order for each appeal to resolve the legal and factual issues presented. The ALJ endeavors to draft orders in plain language both attorneys and non-attorneys can understand. OAH issues final orders and initial orders. Final orders are appealable directly to superior court while initial orders are appealable back to the delegating agency.

Figure P.1-2 Field Offices

Office	Primary Hearing Type
Everett	DSHS
Seattle-SHS	DSHS
Seattle-ES	ESD
Olympia	DSHS & ESD
Spokane	DSHS & ESD
Vancouver	DSHS & ESD
Yakima	DSHS & ESD

Field Offices — OAH has state-wide jurisdiction and seven strategically placed field offices: Everett, Seattle-SHS, Seattle-ES, Spokane, Vancouver, and Yakima. The Olympia field office is co-located with the OAH headquarters. The Everett and Seattle offices specialize in primary case types, while the others do not.

P.1a(2) The OAH culture and ethos is that of dedicated, professional service organization. Management, ALJs, and support staff serve the public and agencies by conducting quality hearings and issuing high quality decisions without undue delay. This culture reflects OAH’s purpose, vision, mission, and values statements:

Purpose— to conduct administrative adjudications for the State of Washington

Vision — to become the premier central panel agency in the nation and a model for other states to emulate.

Mission— to hold fair and independent hearings for the public and for government agencies and to issue sound and timely decisions.

Values— OAH holds the following values:

- ◆ Well-trained and diligent staff as OAH's greatest asset
- ◆ Professionalism and quality service
- ◆ Respect for individuals
- ◆ Clear, open, honest communication
- ◆ Continuous improvement through innovation

P.1a(3). The main segmentation for OAH staff is that of ALJs and non-ALJs. The ALJ staff is composed of licensed attorneys who preside over hearings. Non-ALJ staff members serve in support functions to help OAH achieve its mission. Some support functions, such as scheduling and filing, directly affect the ALJs' ability to conduct hearings. Other support functions provide assistance to OAH as a whole—e.g., fiscal, human resources, and Information Technology (IT).

Figure P.1-3 Workforce Profile

	Total Staff 172	ALJ Staff 100	Non-ALJ Staff 70
Male	65	48	17
Female	105	52	53
Caucasian	135	78	57
Black	15	11	4
Asian	10	4	6
Hispanic	9	7	2
Native American	3	0	3

The Washington State Department of Personnel sets minimum educational qualifications for support staff. The core competencies are reflected in the position description for each position. OAH requires that ALJs be attorneys licensed by the bar of any jurisdiction, that they are familiar with the state Administrative Procedure Act, and have at least five years' experience as an attorney. Staff are not unionized.

Other Staff— Other categories of staff include ALJs *pro tem* (attorneys, often retired ALJs, who work on a contract or part-time basis); and other temporary, contract employees who supplement support staff in the field offices.

The only volunteers associated with OAH are occasional externs – law students or undergraduates who have worked in some of the field offices to complete a particular project.

OAH works diligently to ensure that all employees work in a safe and healthy environment. All offices undergo a

periodic ergonomic check by the Department of Labor and Industries, and use active safety committees, who report to local management on a routine basis. A safety committee liaison posts a safety plan in each field office as required by state law. OAH's headquarters personnel learn about safety issues from senior ALJs.

OAH management informs all employees of the reasonable accommodation policy at the time of hire and when an employee requests an accommodation due to a disability or illness.

P.1a(4) Facilities: OAH has seven field offices located in six cities throughout the state. The OAH headquarters is co-located with the Olympia field office in a three-story building. In the field offices, the ALJs are assigned private offices which allow them to conduct hearings by telephone in each office. Each field office also has some space for in person hearings as well. Support staff work in a common area to facilitate the work flow from station to station. All field offices have some level of staff breakroom or lunchroom. Additionally, field offices have storage space for case files and office supplies. There is also a work area in which the decisions are processed for mailing to the parties. The OAH headquarters office is home to senior management, information systems, fiscal, and human resources.

Recording: ALJs must conduct hearings on the record. This means ALJs create an official record of the oral hearing by operating audio recording equipment or in some instances by contracting with a court reporter. OAH is in the process of switching to digital recording equipment. Several digital recorders have been purchased and tested by an internal control group. The beta test cycle is being scheduled to allow each field office to evaluate the equipment under real life conditions.

Computer Skills: OAH requires ALJs to draft orders. ALJs have varying degrees of proficiency with computer programs and applications. Some ALJs type their own orders, while others dictate their orders for a secretary to transcribe. Still others combine typing and dictation. Support staff members are fluent in many programs and applications, including hearing management software designed exclusively for OAH.

Computers/Network: OAH has continued to upgrade its computer systems over the years, with the most recent upgrade to both hardware and software occurring in the Spring and Summer of 2007. All OAH staff have some facility with the computer because of the need to access their agency email, computerized time sheets, travel vouchers, and online legal research tools.

P.1a(5) OAH must operate within the limits of its enabling statute. Its role is to administer the laws and regulations of the state, and where applicable, the nation. Each agency has its own set of laws and regulations. The ALJs conducting

the hearings must be well versed in those laws and regulations. ALJs must also be licensed by the bar of at least one state.

Each caseload has different time requirements for the issuance of the orders. The deadlines may be set by the federal government, state government, or may be self-imposed by an OAH policy. Caseloads with federal time lines provide OAH with a national benchmark to compare its performance with other similar agencies—*e.g.*, unemployment cases held for ESD and special education cases held for OSPI.

OAH must also comply with other state requirements such as: state and federal health and safety laws, fiscal requirements for the purchase of equipment and supplies, claims for reimbursement, and employment laws affecting hiring, corrective action, discipline, and reasonable accommodations.

OAH is required by statute to use only court certified interpreters in seven specific languages for the hearing process. If a certified interpreter cannot be found for one of these languages, the ALJ must go through a specific, legal protocol on the record, to verify the credentials of the interpreter who is going to be used.

The OAH Code of Ethics for ALJs requires the ALJ staff to get prior approval from senior leadership before engaging in outside business. This helps to avoid conflicts of interest with the parties appearing in the hearings.

One of the latest legal requirements is that each state agency will assess itself using the Baldrige criteria by 2008. This was passed into law and is reflected in RCW 43.17.390. OAH completed the Lite Assessment in January 2007. By doing so voluntarily at that time, the assessment could be used as a learning tool for the required and larger full application.

P.1b Organizational Relationships

P.1b(1) Among state agencies, OAH is considered a small agency with a small hierarchy. Chief Administrative Law Judge Roosevelt Currie leads OAH (the Chief ALJ). Two deputy chief ALJs assist him and oversee seven field offices headed by senior ALJs, and a special projects ALJ. The special projects ALJ is a one-year temporary assignment designed to assist the deputy chief ALJs in completing several statewide process improvements. One deputy chief ALJ is assigned to the ESD caseload and the other to the DSHS caseload. They also have responsibility over the lower volume caseloads.

OAH also has a Public Information Officer (PIO) who reports directly to the Chief ALJ. The PIO is the head of a field office and also serves as a senior ALJ. Another senior ALJ serves as the OAH legislative liaison. Both individuals

serve on the Executive Management Team (EMT) and report directly to the Chief ALJ in this capacity.

Each of the seven field offices is headed by a senior ALJ and one or more lead ALJs. They oversee the ALJs and support staff.

OAH support staff report to a supervisor who is a top-level Legal Secretary or an office support supervisor. Unresolved issues would then move up the reporting chain to the lead ALJ or senior ALJ, the Executive Management Team, and the Chief ALJ.

P.1b(2) OAH's first-line customers are the agencies and parties with hearing business before OAH. Other customers served by OAH include the non-party witnesses who appear at hearings, review judges and court judges who review the OAH orders, the legislature, and the governor—OAH is, after all, the judiciary for the executive branch of government. Finally, OAH is cognizant that all citizens of Washington are all stakeholders in OAH since the citizens provide funding and could potentially become a first-line participant.

Because the level of knowledge and understanding varies among customers, the orders issued must meet different standards of the differing audiences. The parties seeking redress must be able to understand the orders and the hearing process. Oftentimes the only concern for the public is whether they won or not. The legal reasoning behind the decision is of less importance. However, the order issued must also be legally sound and well written when reviewed by the courts. So, while OAH requires ALJs to use plain language in their orders, ALJs must balance this directive with the legal requirement to produce a well-crafted, cogent legal document.

P.1b(3) OAH's suppliers include court reporters, interpreters, agencies who forward the requests for hearing, equipment vendors, supply vendors, the US Postal Service, and the public.

OAH's role begins when it receives an appeal. The agencies are crucial because they are the primary place people file appeals. But they may, in situations where the law allows, also appeal directly to OAH. The U.S. Postal Service is an important part of the process because it delivers appeals (either another agency or the individual) and OAH orders. OAH strives to give prompt service in setting up a hearing, conducting the proceeding, and issuing the order.

OAH does not create hearings. It has no control over how much work agencies send to it. Instead, OAH stands ready to conduct the proceeding once a party requests a hearing, and must remain flexible to react to a fluctuating caseload. OAH relies on its workload projections and projections by client agencies to maintain proper staffing.

OAH can and has worked to add additional caseload customers. Additionally, the legislature occasionally adds new caseloads for OAH to adjudicate.

OAH grants each field office a degree of autonomy in managing its caseload. Senior ALJs manage staffing based on several factors including the geographic region served, the demographics of each region, and the purpose for which each office was initially created. This autonomy permits OAH to benefit from the successful innovations in field offices, which can be communicated as possible solutions to the larger agency.

Not all hearings are recorded by audio equipment. Not all hearing participants speak English or can communicate effectively. Accordingly, two key service suppliers to OAH are court reporters and language interpreters.

Court reporters transcribe spoken or recorded speech into written form, typically using a stenotype machine to produce official transcripts of court hearings, depositions, and other official proceedings. The law often requires a court reporter to report OAH hearings, though the use of court reporters is significantly more expensive than audio recording.

Interpreters for non-English speaking persons are an important supplier group. A state statute requires that a qualified or court certified interpreter be provided for non-English speaking persons involved in a legal proceeding. Each year OAH conducts over 2000 hearings involving interpreters. OAH staff contract with interpreters and schedule them. The limited number of qualified or certified interpreters in some languages can challenge OAH schedulers. Interpreters for parties with sight, hearing, or access difficulties are also an important supplier group and are necessary to enable the party to be served by OAH.

Key internal service suppliers include the Information Technology (IT) unit, Human Resources (HR), the Fiscal unit, and the field offices.

The IT unit is indispensable to the everyday processing of work of each field office. Computer down time has been an intermittent problem throughout OAH. Senior leadership is looking for a more stable platform for OAH's computer system. OAH plans to move from a WordPerfect environment to a Microsoft Word environment, and will combine three disparate databases into a unified one for all OAH orders and reports.

HR aids in acquiring qualified staff, addresses employment issues raised by employees and managers, and helps to legally discipline or terminate employees in the circumstances where an employee's behavior or performance remains deficient. HR also processes and coordinates staff training.

Timely payments by the Fiscal unit to the external suppliers, such as court reporters, interpreters, and equipment vendors, help each field office insure that those particular vendors will want to continue to work with OAH. The fiscal division also administers the employees' pay and benefits, and travel reimbursement.

Another key supplier is the field office. With statewide jurisdiction and the use of telephone hearings, ALJs can conduct hearings from anywhere in the state. In some instances, cases must be transferred from one field office to another. Potential situations include possible conflicts of interest with the local staff, excess caseload, and the request of the parties.

P.1b(4) OAH communicates with suppliers and customers via telephone, regular mail, email, fax, and in person. Senior leadership has been exploring the feasibility of issuing orders electronically, though there is concern for parties who lack computer access since there is a short time for parties to appeal the order to higher levels.

P.2. Organizational Challenges

P.2a Competitive Environment

P.2a(1) OAH does not conduct all the administrative hearings in Washington State. Other administrative hearing agencies exist at the state, county, and city level. OAH does conduct the largest number and variety of hearings of any state agency, however. OAH is a "central panel agency," meaning it is an independent agency that conducts hearings for other agencies. The central panel model contrasts and competes with agencies that use their own internal hearing officers to conduct their hearings.

P.2a(2) OAH has achieved longevity and found success because its workforce surpasses the legally required standards for fair hearings. OAH routinely gives customer satisfaction surveys to gather information on areas of success and needed improvement. The role of OAH is to conduct hearings. However, customer service may require helping an individual, to the extent possible, to simply navigate various state government bureaucracies or contact advocacy organizations. OAH staff assist all callers and visitors, rather than referring them to other government agencies.

P.2a(3) Key sources of comparable data include other central panel state agencies, federally-mandated time lines, state-mandated time lines, and other state agencies with in-house hearing officers. Nationwide there are at least 25 central panel agencies. Since no two of these have precisely the same caseload mix, however, there is no other agency in existence to which OAH can directly compare itself. OAH can compare itself with individual caseloads handled by other central panel agencies though—*e.g.*, the US Department of Labor (USDOL) establishes nationwide time

lines for the issuance of unemployment decisions that OAH can use to compare itself to other states.

P.2b Strategic Context: The key strategic challenges for OAH pertain to workload, funding, and staffing.

Workload - OAH does not control the amount of work it receives, but must rely on the caseload projections of the client agencies. The challenge is having quick access to a well-trained workforce when there is a need for additional, flexible workers when caseloads spike. A significant management challenge arises when the caseload drops. Workforce numbers have to be reduced while working to maintain employee morale.

Funding — A unique challenge that distinguishes OAH from most other state agencies is the OAH funding model. OAH is not a part of the general fund for budget purposes. The OAH budget is dependent on the budgets of its client agencies. OAH funding becomes subject to the variability of the other agencies.

Staff Compensation — Pay presents a staff retention problem, particularly in urban areas like Seattle. There, OAH hires and trains ALJs and support staff only to watch some of them leave for higher paying jobs in the private sector. Developing a financial package to aid in workforce retention is difficult, in part, because OAH is unable to provide geographic differential pay or other financial incentives. A large part of the limitation to the compensation package is imposed by the legislature. After several years without any provision for raises, the legislature passed a new budget that included a raise for all state employees effective July 2007.

Sustainability - OAH encourages recycling of office supplies for internal use to aid in the sustainability of office materials. OAH also purchases recycled materials from vendors where available. One challenge is providing free photocopying and fax services to the public. This service can create a burden on staff time and agency resources. However, it is part of the OAH vision to provide excellent customer service and keep the system moving forward to resolution. OAH is allowed by statute to charge for copies, but has never exercised that right.

Protocol for Transferring Work – OAH has one strategic advantage by having a protocol for transferring work and a protocol for staff usage. Over the years, the OAH field offices have worked together to improve the ability to transfer caseloads from office to office. This requires the schedulers in each office to coordinate their efforts in both requesting and offering help when caseloads either increase or decrease unexpectedly. The communication is by email to all schedulers, their supervisors, and the head of the office. Including all these individuals on email communication helps in the event a key person in one of the field offices receiving the request is out of the office. Someone will get the message and respond using this

method. Case files can be faxed or mailed if there is enough time to get the work to another office.

Staffing Protocol – When OAH experiences an excess workload, each office is to look first to its own permanent staff for any additional scheduling that may be possible. Next, they are to look to their own temporary ALJ staff. In 2006 it became mandatory that each field office develop a list of temporary ALJs who could augment the workforce. This includes using retirees. If a field office has exhausted their own staff options, then an email is sent to the other offices to see if staff there might be available. The same protocol is followed for the assisting office. They are to look to their own permanent staff first before calling in any temporary ALJs. The system has worked successfully, meaning that there have been no lay offs under either of the last two chief ALJs due to the protocol of transferring work among offices.

P.2c Performance improvement system:

Pursuant to the Governor's mandate for all state agencies, OAH conducts monthly Government Management Accountability Performance (GMAP) meetings. GMAP meetings provide an opportunity for a candid dialogue about what is working, what is not, and how to improve results at OAH. When performance is not meeting expectations, the EMT and senior ALJs work together with all offices to make changes and eliminate obstacles to success. When an office is doing well, OAH uses GMAP to share best practices.

OAH has worked to specifically improve the timeliness of DSHS cases in both the public assistance and child support caseloads. GMAP meetings are attended by the EMT and the senior ALJs. Each field office has reviewed the steps involved. They include receiving the appeal, setting up the file, conducting the hearing, writing the decision, and mailing the order. Staff have noted the time involved at each stage and have worked to find ways to reduce that time. These efforts align directly with the OAH mission of issuing sound and timely decisions. Staff in each field offices are encouraged to think of innovative ways to move the work along in both a quality and timely manner. As successful ideas are found, they are shared with other offices through the GMAP process. Additionally, there are monthly meetings the deputy chief ALJs conduct with their respective senior ALJs based on their particular caseload. As a result, ideas can be developed and shared through the monthly ESD or DSHS senior ALJ meetings.

OAH also uses internal training sessions to improve performance. Training sessions can include a focus on workforce issues to insure that the staff is treated well; new processes or procedures to improve how offices are run; and updates on the law to ensure that ALJs remain knowledgeable and up to date.

1.0 Leadership

1.1 Senior Leadership

1.1a Vision and Values

1.1a(1) The statute that created OAH established its mission: To hold fair and independent hearings for the public and governmental agencies and to issue sound and timely decisions. OAH's senior leadership is embodied in an executive management team (the EMT) led by Chief Administrative Law Judge Roosevelt Currie, the governor-appointed agency head. When appointed in 2006, the Chief ALJ stated his vision — "that OAH will be the premier central panel hearings agency in the nation." Shortly after taking office, he visited each field office to introduce himself to the entire staff, and to state and clarify his vision. He immediately announced his intention to apply for the Washington State Quality Award, and to have several OAH managers become Baldrige Examiners.

The Chief ALJ is a former state ALJ. He first worked as a line ALJ in the Olympia field office and later as a senior ALJ in Seattle. He garnered wide respect for innovation and management skills. Significantly, the Chief ALJ received the governor's management award while in Seattle. Knowing that the Chief ALJ has worked as an ALJ has inspired confidence that he understands the perspective of employees in field offices.

The Chief ALJ and the EMT collectively develop the values for OAH noted at section P.1a(2). The values reflect the key components to achieving the OAH mission. OAH is a governmental agency providing a legally required service to the public, and that service is provided through the staff members. Although technology helps in the performance of key tasks, employee talent is the heart of OAH because of their knowledge, skills, and key interactions with the public. Their service must be of the highest quality and it must reflect a genuine respect for hearing participants and others who use OAH services. Many of the hearings conducted by OAH involve individuals who are unemployed, have disabilities, or are otherwise in crisis. Creating an atmosphere that acknowledges and preserves the dignity of those who use OAH services is crucial. The Chief ALJ and the deputy chief ALJs have worked to bring timely, clear, and routine communications to the staff through monthly meetings with the senior ALJs and agency-wide telephone addresses by the Chief ALJ.

The Chief ALJ has undertaken an ambitious process improvement program to improve the quality and timeliness of all hearings, and seeks to standardize quality measures. Through Executive Order No. 05-02, the governor required all state agencies to adopt a comprehensive government management accountability and performance system

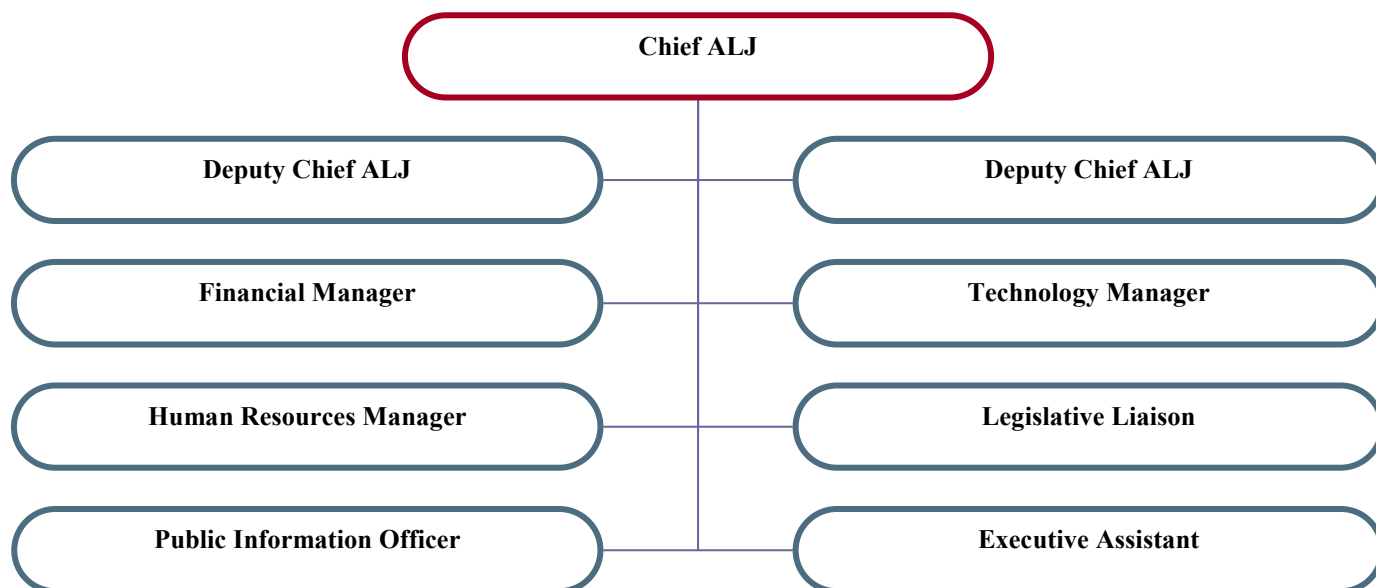
(GMAP) and to conduct regular GMAP meetings. The focus of OAH's GMAP meetings has been to streamline and improve the hearing process for the Department of Social and Health Services (DSHS) caseload. Typical examples of these hearings are those involving public assistance benefits appeals or child support disputes. Much efficiency exists in the Employment Security Department (ESD) caseload and senior leaders are extending and replicating many of those efficiencies to benefit the DSHS caseload. The commitment of staff from the Chief ALJ on down, is to continually review, innovate, and improve current processes.

Senior leaders show their commitment to the OAH vision, mission, and values by making them a focus in their communications with staff. The vision, mission, and values have been deployed and communicated directly by the Chief ALJ through his personal appearances in the field offices and on the OAH website. A copy of the mission is framed and hanging in each field office. As the deputy chief ALJs conduct their monthly meetings with the senior ALJs who head each field office, they present each report in light of the mission. Senior leadership supports the value of professionalism by encouraging the ALJs to participate as presenters in legal education programs and training programs. The deputy chief ALJs have demonstrated their commitment by participating as presenters themselves.

Senior ALJs make note of the mission in monthly staff meetings at the field office level with their own staff. To provide requested data to the senior leaders, the senior ALJs consult routinely with support staff and ALJs. Their discussions reinforce with staff the importance of their role and how it impacts the overall agency mission. This heightens the awareness for all staff to keep the OAH mission at the forefront of their mind and their actions, and assists them in seeing how their work contributes to OAH's ultimate products.

At monthly GMAP meetings, senior ALJs provide graphic, quantitative measures of the key aspects to the mission. Every GMAP report, chart, or graph always contains a statement of the OAH mission. Senior leaders present timeliness and quality data to the GMAP group from several different perspectives in various caseloads. The Chief ALJ requires senior ALJs to show they are meeting timeliness and quality standards monthly and weekly reports, and during their annual Performance Development Plan (PDP), which is an employee evaluation process.

Senior leaders deploy OAH's vision, mission, and values to customers and stakeholders through routine meetings conducted by the EMT. The Chief ALJ, the deputy chief ALJs, and program managers meet on a regular basis with the specific client agencies.

Figure 1.1 The OAH Executive Management Team

1.1a(2) Senior leaders model legal and ethical behavior by carrying themselves in a trustworthy way in their dealings with staff and the public. They address issues regarding the quality and the integrity of the work product in the monthly meetings, statewide agency addresses, and memoranda. Senior leadership is also currently working to develop a new Code of Ethics for the ALJs to replace the current one.

1.1a(3) The Chief ALJ's management style is participative with systematic delegation of duties. Many of the duties associated with the Chief ALJ alone under previous administrations have been delegated to the deputy chief ALJs. Accordingly, the deputy chief ALJs delegate certain functions to senior ALJs and to a temporary special project ALJ, who works on certain agency-wide special projects. Delegation has expanded accountability at OAH by giving managers both the responsibility and discretion to manage more aspects of their office. At monthly meetings between deputy chief ALJs and senior ALJs and monthly GMAP meetings with the Chief ALJ, senior leaders and middle management compare actual performance with goals and standards. Discussions focus on how offices achieved success, how it will be maintained, and how missed targets will be attained. Leaders encourage innovation by fostering such discussion in the group meetings so all may hear and learn how each field office has handled a specific issue.

Workforce learning is vital to innovation and process improvement. Just 0.0187 percent of the OAH budget is devoted to training outside OAH, but that does not mean OAH is an agency without training. ALJs and support staff supervisors train new staff on the job, usually a one-on-one teacher and student format. IT staff travel to field offices or conduct conference calls for hands on training for new or updated applications and technology.

OAH leaders have subordinate staff in the organizational hierarchy: the Chief ALJ has two deputy chief ALJs, who oversee seven senior ALJs, who each oversee one to two lead ALJs under them. OAH does not have a rigid succession plan, however. Although there are assistants to every position of leadership, it is not a given that the assistant will be the one to rise to the next level of leadership. OAH bases such promotions on merit. The Chief ALJ has been working to develop an executive skill set for the deputy chief and senior ALJs. He has required both groups to attend courses in presentation skills using PowerPoint, and the creating and interpreting charts and graphs. He has had them attend training as Baldrige examiners and serve as examiners to other Baldrige applicants. He has scheduled courses on governmental budgeting for all senior and deputy chief ALJs. The course work has been in addition to an expansion of the general management duties of the deputy chief ALJs and senior ALJs. All of this has been with the focus to have both the executive and mid-level managers better trained to assume higher leadership positions.

1.1b Communication and Organizational Performance

1.1b(1) Senior leaders use several methods for communicating with the larger staff. They make personal visits to the field offices; speak one-on-one with staff over the telephone; monthly telephone conference calls, agency-wide teleconference addresses; e-mail, voice-mail, written communication, the public website, and PowerPoint presentations through the use of "net-meeting" software.

Senior leaders use periodic agency addresses to broadcast information to the staff. These are conducted by telephone conference call. They also use broadcast email. Some information is also posted on the OAH Intranet. Staff

members are encouraged to provide feedback and give their suggestions to resolve various agency issues. This encourages two-way communication and buy-in by the staff when discussing key agency issues.

OAH recognizes staff for their years of service in five-year increments. Senior leaders award service pins and certificates of recognition to all OAH employees with 5, 10, 15, 20, 25, 30, or more years of service. OAH also recognizes employees at other times. When staff participate in making presentations or otherwise represent OAH, the Chief ALJ will send a letter of commendation and a certificate of appreciation. Less formal recognition also includes mentioning the employee's specific contribution on the conference call with other staff. Senior leadership members believe that employees are key to OAH's overall success. By recognizing outstanding efforts by the staff, it is believed that will encourage staff to give continually improving service to the public. Presently, OAH does not have a pay for performance program which ties staff performance to any particular reward system. The legislature only recently made such a program possible for state agencies.

To maximize the benefits to OAH and its customers, the EMT embraces a systemic and participative leadership approach with the goal of achieving maximum performance through innovation and accountability. The EMT vets initiative ideas, but solicits improvement suggestions from employees at all levels. In this way, OAH profits from the expertise held by the numerous attorneys, support staff, and other experts employed by OAH through their advice, ideas, and action in bringing initiatives to fruition.

1.1b(2) Senior leaders create and maintain a focus on action by listing performance criteria in each senior ALJ's PDP. The senior ALJs in turn note relevant performance measurement criteria in staff PDPs. All members of OAH have as a daily focus the meeting of the OAH goals of producing timely and quality decisions. These criteria and goals are also in the PDPs for both the deputy chief ALJs. EMT members review timeliness statistics for all caseloads on a monthly basis. EMT members identify weak performance and notify the relevant senior ALJs on a monthly basis, or sooner where a more serious problem is identified.

Each quarter OAH senior and lead ALJs review a random sample of 40 hearings conducted by ALJs. OAH uses a specific set of criteria to determine whether ALJs are meeting hearing quality criteria. The criteria provide guidance for how ALJs should conduct hearings to assure due process and a lack of bias and prejudice. The criteria also evaluate how well the decision was written and the evidence at hearing supported the ALJ's written conclusions. If a randomly selected hearing was conducted by a senior ALJ, a deputy chief or lead ALJ conducts the review.

1.2 Governance and Social Responsibility

1.2a Organizational Governance

1.2a(1) At the time employees are hired, the senior ALJ explains key agency policies to them. These policies include the following: Affirmative Action / Equal Opportunity, Americans with Disabilities Act, Anti-Sexual Harassment, Code of Ethics for ALJs (ALJs only), Conflict of Interest, Drug and Alcohol Free Workplace, Information Technology Security, Non-Discrimination, Reasonable Accommodation, Safety & Health Policy, Use of State Resources, Whistle Blower, and Electronic Messages (email). OAH requires employees to sign non-disclosure agreements because of the confidential nature of the work. Managers reinforce these core competencies of integrity and confidentiality through the annual PDP process.

1.2a(2) All members of senior leadership have their performance reviewed in an annual PDP by the Chief ALJ. He also provides feedback on the performance of senior leaders at weekly EMT meetings and on an *ad hoc* basis. This is done in the form of general discussions. The Chief ALJ and the EMT also receive feedback from client agencies in regularly scheduled meetings that they conduct with the client agencies. The feedback from client agencies includes concerns regarding any late decisions as well as compliments regarding good performance. The discussions also address concerns regarding any changes in the caseload or possible new caseloads.

1.2b Legal and Ethical Behavior

1.2b(1) Potential adverse impacts on society of OAH operations include citizens not receiving benefits, services, or licenses they are entitled to. This could render them unable to meet activities of daily living—e.g., paying for food, rent, medical needs. Another potential adverse impact could occur if OAH fails to provide necessary access to OAH services for disabled persons.

Adverse impacts could stem from a lack of due process or lack of oversight in the hearing process. Examples of OAH action or inaction that could result in adverse impact include untimely decisions, inaccurate or incomplete decisions, and poor service delivery, such as delayed vendor payments, improper treatment of citizens, client agency representatives, or vendors.

OAH anticipates areas of public concern and prepares for them in several ways. OAH conducts annual customer satisfaction surveys and meets regularly with affected stakeholder groups. OAH ensures its website content is current and supervised by a team consisting of an ALJ and IT personnel. The website contains current legal authority for each caseload and provides online brochures authored by ALJs to explain the hearing process. The site also provides links to legal services and other resources to further assist citizens and agencies. Field offices also send paper

informational brochures to each hearing participant to explain what to expect at the hearing and who to contact with any questions. The brochure also explains how persons with disabilities may request accommodations.

OAH works with client agencies to amend rules and policies to improve delivery of services. During the last quarter of the 2007 fiscal year, OAH developed and implemented process improvements to speed its service delivery—*e.g.*, OAH achieved the strategic goal of closing 80 percent of cases within 90 days of the hearing appeal by having both support staff and ALJs review each stage of the process and establish systematic ways to reduce the number of days in each stage. One of the most successful improvements was an initiative to type the date of the 90th day on the exterior of each hearing file.

OAH key compliance processes, measures, and goals are directly linked to the legal and regulatory requirements of its statutory mandate, and the requirements of each state and governmental agency it conducts hearings for. The ALJs conducting the hearings must be well versed in relevant state and federal laws. OAH must also comply with other federal and/or state requirements in the areas of health and safety, fiscal requirements for equipment and services purchases, travel and other claims reimbursements, and human resources issues involving recruiting, hiring, employee discipline, and reasonable accommodation. OAH goals, strategies, and objectives are developed to meet or exceed all legal and regulatory requirements.

1.2b(2) OAH promotes and ensures ethical behavior for all employees through a culture of accountability. Values are based on ethics and are deployed as described in 1.1a(1). The Chief ALJ is responsible for overall agency compliance and senior leadership ethical behavior. State executive branch ethics laws govern each OAH employee. The Washington State Executive Ethics Board enforces the state ethics laws. As licensed attorneys, ALJs are subject to ethical responsibilities set forth by the bar association in the state where they are licensed. ALJs are required to be licensed attorneys and are required to obtain continuing legal education in ethics each year, although they are allowed to take judicial or inactive status, approved by their bar association, while serving as appointed ALJs for OAH. In addition to bar requirements, ALJs must adhere to the OAH Code of Ethics for ALJs—*e.g.*, ALJs are required to get approval from senior leadership before engaging in an outside business in order to avoid any possible conflict of interest with either OAH, hearing participants, or any stakeholder or vendor doing business with OAH. OAH regulations include a process for filing complaints against ALJs if hearing participants believe they have been unfairly treated in the hearing process. The OAH ADA Coordinator follows OAH policy in determining access impediments and addressing them. The Chief ALJ informs all employees annually in writing of the protections afforded them by the State Auditor's Whistleblower Protection Program if they report any illegal or unethical activities.

Other key measures or indicators for enabling and monitoring ethical behavior include new employee orientation, where ethical behavior and requirements are discussed, and the employees' annual PDPs, which, include the values, and supervisors must assess each employee on his or her adherence to them. As an agency, OAH conducts a self-assessment annually, most recently utilizing the Baldrige criteria to achieve agency and individual employee success. These tools, in addition to the annual employee survey, provide a systematic process for OAH to examine employee conduct, establish expectations, and provide feedback to employees.

OAH responds to potential breaches of ethical behavior by investigating all complaints and promptly resolving them. If the complaint concerns an ALJ behavior in the hearing, the ALJ supervisor promptly investigates the allegations and responds to the complaining party in writing within 30 days of the complaint, unless the response time is extended. If the supervisor concludes the ALJ actions were inappropriate, the supervisor recommends appropriate corrective or disciplinary action be taken, subject to deputy chief ALJ approval. Each senior ALJ records any complaint received and forwards copies of the complaint, the senior ALJ's investigation letter, and the senior ALJ's letter concluding the investigation to OAH headquarters office.

Senior ALJs make an effort to resolve complaints at the lowest possible level and respond promptly to the complaining party. The HR Manager is involved in any recommended corrective or disciplinary action. Depending on the particular ethical breach, either the HR Manager, or a deputy chief ALJ will consult with an assistant attorney general assigned to OAH before taking action against an employee.

OAH belongs to the state Network of Adjudicatory Agencies (NAA), a group of directors of agencies that conduct hearings. They educate and inform each other at monthly meetings, plan trainings, and discuss issues of common concern. Ethics and service are common themes at these meetings. NAA sponsors a continuing legal education conference at least every other year that includes ethics education for ALJs and other state agency attorneys and hearing officers.

Figure 1.2 Ethical Regulation

Ethics Regulatory Regime	Governs
State Executive Ethics Board Rules	All employees
OAH Ethics Policy	All employees
Rules of Professional Conduct for Attorneys	ALJs
ALJ Complaint Policy	ALJs

1.2c OAH supports key communities through education about its mission, services, and access to those services

throughout the state. OAH accomplishes this through activities including partner and stakeholder-sponsored meetings and conferences, equal justice events, and presentations at local public schools, universities, and law schools. OAH coordinates its commitment to secure handling of confidential and highly sensitive caseload information with other state agencies and established shredding processes in each field office statewide. OAH partnered with local communities and established recycle programs in each field office.

Key communities are identified according to OAH's mission of providing timely and quality hearings and its commitment to equal access to justice for those who participate in hearings. Statewide communities include legal aid organizations, volunteer lawyer programs, businesses, interpreters, court reporters, uniformed officers (to maintain safety in hearings, when necessary), and law schools. OAH established a volunteer extern program with the three Wahsington law schools to provide credit hours to law students to work in OAH field offices and assist with legal projects.

OAH employees give generously of their time, talent, and money to their local communities. Senior leaders contribute to improving key communities with an annual stakeholders survey. Senior leaders share the survey results with all employees, and develop strategies to meet the needs of key communities and identify other potential communities. Through e-mail and other communications, employees are informed of and encouraged to actively participate in local, regional, and national charities and associations and are provided time off to do so. Figure 1.3 summarizes some of the many ways OAH senior leaders and workforce contribute to the community.

Figure 1.3 OAH Key Communities

Interpreters	Volunteer Lawyer Programs
Businesses	Professional Organizations
Uniformed Officers	Court Reporters
Law Schools	Legal Aid Organizations
Lawyers	Lay Representatives

Figure 1.4 Staff Community Contributions

Employee Group	Community Programs and Associations
Senior Leaders	National speakers on ethics, public service, access to services
Senior Leaders	National trainers in caseload specific issues
Senior Leaders	Combined Fund Drive volunteers Access to Justice Board Liaisons
Senior Leaders	Chief ALJ belongs to WA Network of Adjudicatory Agencies
Many ALJs	Legal associations including NAALJ, WALJA, NJC, NAWJ
All employees	Speaking/Teaching at Legal services events
Many Employees	Volunteers at local schools, churches, and civic events
Many employees	Habitat for Humanity (several field offices)
All employees	Blood donors
Many ALJs	Pro bono legal services Volunteer mediators

2.0 Strategic Planning

2.1a Strategy Development Process

2.1a(1) OAH periodically conducts a ten-step strategic planning process (SPP)(see Figure 2.1-1 for key process steps), which is facilitated by the Chief ALJ and owned by the EMT. Other key participants include the statewide management team, customers, and stakeholders. OAH initiated a SPP in 1995; however, a more systematic approach began in 2006 as a result of the Chief ALJ's appointment and commitment to Baldrige-based self-assessments.

OAH solicits input from all employees and holds focus group sessions with management and volunteer employee representatives. OAH employees participated in the 2006 Employee Satisfaction Survey administered by DOP. Employees rated issue statements. The statements addressed issues of leadership, resources to perform jobs, workplace environment, recognition, and other fundamental factors that drive employee success and satisfaction. In 2006 the Chief ALJ also requested that employees respond to a separate survey administered by OAH regarding employees' views of OAH priorities, communications, and morale.

OAH seeks input from customers and stakeholders. The primary example of this is OAH's annual hearing participant survey. Hearing participants rate OAH on timeliness, communication, and quality. The Chief ALJ also sent a letter with a brief set of questions to over 40 key stakeholder organizations requesting feedback about what OAH was doing well and what could be done better.

Employee, customer, and stakeholder feedback uncovered a need to restructure the SPP to be more methodical, integrated, and accountable. Strategic objectives were developed to address identified challenges and advantages, including OAH competitive position and data, key success factors such as required legal standards and goals to meet and exceed those standards, customer surveys, emphasis on

customer service, and key challenges pertaining to workload, funding, and staffing. Potential blind spots in planning are developed through this input, and through the use of a SWOT analysis. The strategic objectives include technology improvements, salary increases, employee satisfaction, caseload process enhancements, customer focus, and organizational growth.

OAH deploys strategies through the EMT meetings, which OAH holds every Monday at 9:30 a.m. The EMT prioritizes the strategic objectives and the priority list is reviewed every meeting. Potential blind spots are identified through this mechanism. The top priority recently has been the improvement of OAH technology. The Information Technology Manager developed an action plan and is the project manager for the plan. The strategic objectives are implemented as funds are available.

Each employee is given a PDP, which provides a way to identify gaps and ensures each employee understands his or her role in implementing the plan. Key goals are identified in the strategic plan, which the Chief ALJ provides to each employee via e-mail and through the OAH web site. Supervisors and employees negotiate goals and add them to the written PDP. Supervisors routinely review performance and formally review it annually.

OAH's SPP has short-term and long-term planning horizons. The short-term horizon is one year and was chosen to align with the OAH strategic planning cycle and fiscal year. This allows for budget alignment and resource allocation to achieve strategic plan objectives. The OAH long-term planning horizon is six years, with an emphasis on three to six year planning in the case of facilities. The long-term time frame allows alignment of strategic planning goals with program changes and addresses changes in the political, economic, or regulatory environments. OAH strategic objectives and goals are displayed in Figures 2.1-3 and 2.1-4.

Figure 2.1-1 Ten Step Strategic Planning Process

Planning Step	Who	When
1) Preparation Identify process steps, facilitator, participants, & timeline; gather and summarize data from surveys.	EMT	Spring
2) Mission Vision and Values (MVV) Review Review the MVV and identify OAH organizational challenges and strategic advantages; examine and update resource drivers.	SPP Group	Spring
3) Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis Through consensus-building, the SWOT analysis ensures that the SPP addresses and analyzes data and information regarding OAH operations, shifts in the economic, legal, political, market, and competitive environments, statutory and regulatory issues and technology changes; review funding sources and amounts and align priorities so as to meet strategic goals and sustainable operations; identify blind spots.	SPP Group	Spring/ Summer
4) Performance Analysis Using Balanced Scorecard, conduct performance analysis; using SWOT analysis results, identify and list gaps in current performance.	SPP Group	Summer
5) Develop Strategic Objectives, Goals, and Time frames Establish strategic objectives with key indicators, goals, and time frames required to support achievement of the objectives; use information gathered in previous steps, and senior leaders ensure actions are consistent with the MVV.	EMT	Summer
6) Resource Allocation and goals Develop budget to support the objectives established in step five; outline resources targeted to support strategic plan.	Financial Manager, EMT	Summer/Fall
7) Action Planning Develop action plans to support success of strategic objectives; conduct outreach to customers, stakeholders, and community leaders to collaborate on communities plans; select comparative data to measure performance.	EMT	Fall
8) Plan Approval Strategic plan, resource list, action plans, and budget are approved.	EMT	Fall
9) Deploy Strategic Plan and Action Plans Plans are deployed both inside and outside OAH through several communication methods (see section 3.1).	All Employees and Partners	Winter
10) Monitor Strategic Plan — Senior Leaders regularly update the EMT on the status of the strategic plan; EMT reviews future planning and necessary changes.	EMT	Quarterly at EMT meetings

2.1a(2) OAH addresses the key factors outlined in Figure 2.1-2 by holding senior leaders and senior ALJs (field office managers) accountable to regularly review the data and information sources that influence OAH planning and operations. The deputy chief ALJs hold regular monthly meetings with senior ALJs to update and discuss OAH objectives and process improvements. Senior ALJs are accountable to the deputy chief ALJs, who in turn are accountable to the Chief ALJ. Updates and summaries from senior ALJ meetings are shared in the weekly EMT meetings.

In addition, OAH conducts monthly GMAP meetings. In these meetings, the senior ALJs report on performance data, providing an analysis of the data, any trends, and an action plan, as well as management and policy challenges in their offices. The GMAP sessions have proven valuable as a means to identify and solve problems, allocate resources, and share best practices among the different offices. The combination of quantitative and qualitative data accumulated from GMAP, in addition to the Baldrige assessment tool and the Governor's Management Framework, help OAH identify performance gaps that exist in fully achieving its mission and goals. The ongoing follow-up during GMAP sessions helps close these gaps.

Figure 2.1-2 — Key Factors and Analysis of Data and Information Sources

SPP Key Factors (Process Step)	Data and Information Oversight	Data Collection
SWOT (Step 3)	EMT meetings; employee, customer, stakeholder surveys; WSQA feedback reports	SPP Group
Technology (Step 3)	OAH database information	IT Manager
Regulatory (Step 3)	Federal and state legal mandates; OSHA; WISHA; OFM/fiscal	Senior Leaders
Market, Satisfaction Surveys; Preferences, and Competition (Steps 2 and 3)	Central panel state surveys; customer and DOP salary survey	SPP Group
Organizational Sustainability (Steps 3 – 5)	Governor’s Management Framework and Priorities of Government	Chief ALJ, EMT
Executing Strategic Plan (Step 10)	Senior Leader reports at EMT meetings; Baldrige self assessments	EMT
Labor Market; Legal, Political, and Economic Environment Steps 3 – 5)	U.S. Department of Labor workload projections, client agency caseload projections	EMT, Customers
MVV (Steps 1 – 2, 10)	Employee, customer, and stakeholder surveys; Baldrige self-assessments.	Chief ALJ, EMT
Early Indications of Major Shifts in Key Factors (Step 10)	All of the above	All of the above

2.1b(1) OAH’s key strategic objectives and their associated goals, timetables, action plans, and performance measures are displayed in Figures 2.1-3 and 2.1-4. The strategic objectives in Figure 2.1-3 address direct service to customers. The strategic objectives in Figure 2.1-4 address OAH’s infrastructure and stakeholders, including its workforce.

2.1b(2) During the strategic planning process, OAH identifies strategic challenges (opportunities for change) and strategic advantages (strengths) and aligns them with strategic objectives. The challenges are addressed in the action plans associated with each strategic objective. Figure 2.1-4 specifies strategic objectives that specifically address opportunities for innovation in technology and performance management. All strategic objectives balance challenges and stakeholder needs by incorporating OAH’s mission and values.

Figure 2.1-3 Direct Service Strategic Objectives, Action Plans, and Key Performance Measures

Goals and Direct Service Strategic Objectives	Action Plans (short term-ST) (long term-LT)	Key Performance Measures
Conduct high quality hearings and issue sound decisions. a. Meet or exceed quality standards for 90 percent of hearings and decisions based on random quarterly samples.	ST and LT: Continue quarterly review of random samples of hearings and decisions.	Percentage of cases scoring 85% or more
b. Obtain at least 80 percent positive satisfaction ratings from annual customer surveys.	ST: Complete customer survey before 2008.	Percentage of positive satisfaction ratings
Provide timely hearings and timely decisions. a. Complete 80 percent of all cases within 90 days of filing the appeal.	ST for a through e: Analyze each office's monthly performance in GMAP meetings. Identify best practices for scheduling, processing, and completing cases. Deploy best practices statewide. LT for a through e: Analyze targets.	Percentage of cases completed within 90 days of filing the appeal
b. Complete unemployment insurance benefit cases within the 30, 45, and 90 day federal standards.	Same as above	Percentage of UI cases closed within 30, 45, and 90 days of appeal filed date Average Case Age in days
c. Maintain an average case age of no more than 21 days for all unemployment insurance benefit cases.	Same as above	Average number of days to schedule a hearing from the time an appeal is received
d. Conduct prehearing conference or hearing within 30 days from the receipt of appeal for DSHS cases.	Same as above	Average number of days to conduct prehearing conferences or hearings
e. Issue decisions within 16 days of close of record for public assistance cases, 21 days for child support cases, and 60 days for all other non-unemployment insurance caseload.	Same as above	Average number of days to issue a decision from the time a case record is closed

Figure 2.1-4 Organizational Strategic Objectives, Action Plans, and Key Performance Goals

Organizational Strategic Objectives	Action Plans (short term-ST) (long term-LT)	Key Performance Goals
Enhance organizational capacity, efficiency, diversity, and competency. a. Implement technology solutions that increase the timeliness and quality of decisions.	LT: Enhance network capability by July 2010.	Completion
	LT: Upgrade phone systems by September 2010.	Completion
	LT: Implement case management system by September 2009.	Completion
	LT: Migrate to Exchange and Outlook E-Mail by July 2008	Completion
	ST: Implement “anywhere” access to OAH Intranet and systems (Citrix) by January 2008.	Completion
	LT: Develop life cycle strategy for servers and enterprise data storage by July 2010.	Completion
	LT: Implement MS Office by September 2008.	Completion
	ST: Implement digital recorders in field offices by December 31, 2007	Completion
b. Equalize ALJ compensation levels.	ST: Submitted ALJ benchmark and salary proposal to DOP by 8/31/07.	Completion
c. Assess support staff career opportunities.	ST: Assess staff training needs and develop training curriculum by October 2007.	Completion
	ST: Presented proposal to upgrade clerical and legal positions to DOP by August 2007.	Completion
	ST: Roll out e-recruiting for OAH by December 31, 2007.	Completion
d. Refresh the employee recognition program.	ST: EMT to review current recognition program and recommend changes to better recognize employee accomplishments.	Completion
e. Increase employee training opportunities.	ST: Review recent survey of skills and training needs led by training coordinators and recommend a training plan.	Completion
f. Provide greater access to justice services.	ST: Implement the “First in Touch” Program; Identify groups/individuals needing access to OAH services and determine ways to eliminate barriers to services.	Completion
g. Enhance OAH outreach to stakeholders.	ST: Increase public relations efforts of public information officer; increase number of meetings between senior leaders and senior leaders of other agencies	Completion
h. Boost the use of mediation.	ST: Implement SPI Mediation Initiative by FY07.	Number of hearings avoided as a result of mediation and expansion of mediation to other caseloads.
	LT: Deploy mediation to other caseloads by FY09.	Completion

i. Further integrate and improve agency quality management, accountability and performance systems among all employees.	LT: Update all Policies by April 2008	Completion
	ST: Implement employee climate survey by October 2007 and implement system for this to be an ongoing annual survey.	Completion
	ST: Update OAH policies on teleworking, ethics, and salary determination for exempt staff by December 2007.	Completion
	LT: Update all Policies by April 2008	Completion
	ST: Submit HR management report to DOP by October 31, 2007.	Completion
	ST: Complete PDs and PDPs for all positions and employees by November 30, 2007	Completion
	ST: Submit WSQA application by October 16, 2007	Plan development and implementation in 2008
	LT: Develop and implement a continuous improvement plan aligned with Baldrige Criteria after feedback from WSQA application	Completion
	ST: Standardize safety procedures in all offices by 2008	Completion
	LT: Improve safety in reception areas in Seattle ES, Spokane, and Olympia by 2008	Completion
j. Reduce Facility Space	ST: Work with ESD to find funding solutions for FFY 08 by October 2008	Adequate funding to maintain service delivery
	LT: Work with ESD to find funding solutions for FFY 09 by March 2008	Adequate funding to maintain service delivery
	ST: Consolidate Seattle DSHS and Everett staff into current Seattle ES office by April 2008	Cost reductions.
	LT: Consider moving Yakima office to reduced by space in September 2008	Cost reductions.
	LT: Reduce Spokane space by three offices by October 2008	Cost reductions
	LT: Consider consolidating Vancouver office into Olympia by 2013	Cost reductions

2.2 Strategy Deployment

2.2a Action Plan Development and Deployment

2.2a(1) Individual members of the EMT typically initiate action plans, subject to EMT review. The initiating EMT member establishes the alignment with OAH's strategic objectives as displayed in Figures 2.1-3 and 2.1-4. Key outcomes for action plans identified in Figure 2.1-3 are sustained through on-going data analysis and review by the entire management team.

2.2a(2) As a revolving fund agency, OAH has five client agencies that are billed for the majority of OAH's work and account for the major portion of OAH's biennial budget. OAH's Financial Manager prepares the biennial budget for each of the five client agencies based on the prior biennium actual expenditures and projected changes for the ensuing biennium. The planned expenditures take into account the strategic objectives of OAH and the estimated cost of the technology, facility changes, and salary and position upgrade action plans. This budget will be the basis for OAH's ongoing monitoring to assure that actual expenditures are within the budget amounts by month for the biennium. The Financial Manager discusses the budget at weekly EMT meetings to insure that current obligations are being met. This is also when the Financial Manager brings up budget changes that may affect short and long term action plans so that the EMT can make decisions.

2.2a(3) The EMT conducts ongoing discussion and receives updates regarding action plan items at its weekly EMT meetings. The EMT modifies action plans in need of change or reviews modification proposals. Usually the EMT member responsible for the plan takes the lead in deploying new or modified plans. Modified action plans are usually deployed to the field through monthly meetings with senior ALJs and monthly GMAP meetings. The senior ALJs then deploy the changes throughout the field offices. Impromptu teleconference meetings are called when changes need to be more rapidly deployed.

2.2a(4) Key short and long term action plans are displayed in Figures 2.1-3 and 2.1-4. OAH's decision to reduce costs by consolidating three existing offices (two offices in Seattle and one in Everett) into one large office located in Seattle is a key planned operational change. See Figure 2.1-4. This will require broadening teleworking and implementing office sharing (hoteling), which in turn will require changes in work processes, staff levels, written policies and expectations, and technology (anywhere access to OAH Intranet and systems). Each of these offices has been responsible for only one major caseload, but the consolidation will mean responsibility for both major caseloads (ESD and DSHS) as well as the SPI caseload.

2.2a(5) OAH's key human resource action plans and the related strategic objectives (b,c,d,e,i,j) are displayed in

Figure 2.1-4. These plans have statewide implications, but the timetable for some of the action plans must coincide with the office consolidation. This will likely have a dramatic effect on staff and action plans. Senior leaders accordingly have initiated modifications to address the impact on people.

2.2a(6) Figure 2.1-3 displays key performance measures used to track progress on action plans that are associated with direct service to customers. The objectives, action plans, and key measures are aligned with OAH's mission and can be found in the performance expectations for all staff providing direct service depending on their caseload assignment. All offices and caseloads are measured and monitored for timeliness and quality, thus ensuring that all areas and stakeholders are covered.

2.2b OAH's performance projections for the short term planning horizons are embedded in the strategic objectives displayed in Figure 2.1-3. They are goals for future performance that are based in part on past performance and to test the validity of process improvements that have been put in place. OAH ensures progress toward the projections by monitoring and discussing monthly and quarterly results, comparing results by office, and sharing process improvements across all OAH offices statewide.

3.0 Customer and Market Focus

3.1 Customer and Market Knowledge

3.1a(1) OAH conducts hearings in various caseloads or segments. The caseloads reflect the client agencies and parties who are the OAH customers. OAH conducts the greatest number of hearings for two agencies: the Employment Security Department (ESD) and the Department of Social and Health Services (DSHS). The ESD caseload comprises about 48 percent of the OAH caseload. DSHS comprises about 50 percent, and other agency cases comprise about two percent.

Most agencies who use OAH's hearing services are identified by statute; however, OAH also contracts with state and local entities to conduct administrative hearings. To gain new business, OAH must continually innovate and show its value as an independent decision-making body.

3.1a(2) All client agencies and the public, regardless of segment, expect and deserve timely, thorough, and unbiased hearings and decisions. The requirement of a full evidentiary hearing when a state agency takes adverse action against a person is guaranteed by the Constitution's 14th Amendment. OAH identifies other key customer requirements through customer satisfaction surveys, meetings between EMT staff and customers, and a review of communications to OAH.

One desire identified by some customer segments has been the electronic transfer of data either to OAH for the receipt of appeals and initial case set-up or from OAH for the electronic issuance of decisions. OAH is actively pursuing the former and exploring the latter option to make such processes fair and equitable for all hearing participants. Not all members of the public have access to a computer in order to receive their decision. Since there is a time limit to appeal if one disagrees with the decision, it is imperative that all parties receive their decision at the same time or as close in time as possible.

OAH also uses the information gathered in specific customer complaints to address specific training needs. OAH is unique in that all customers may not be "satisfied" with the results of a particular case. However, it is the OAH goal that all the participants be satisfied that the process was fair. In a hearing, there will be winners and losers. However, when parties file complaints indicating that the ALJ's behavior was somehow unfair or inappropriate, the senior ALJ in that particular office conducts an investigation. Sometimes, the results show that the problem stems from some lack of training and that training is then provided to improve the service and value to the public. This addresses the part of the OAH mission which is focused on quality decisions, which necessarily includes conducting quality hearings.

Other key customer segments with specific requirements are hearing participants with limited English proficiency, and those with physical, mental, cognitive, or language impairments. Each of these areas creates challenges for OAH to ensure that actual justice is served for every customer.

3.1a(3) OAH receives customer feedback in a few ways. One source of customer feedback comes from positive and negative letters and calls. This information is used to determine if further staff training is warranted based on the nature of the inquiry or complaint.

A Washington State regulation provides a procedure for hearing participants to file formal complaints against ALJs. Complaint letters are directed to the senior ALJ responsible for that particular field office. The senior ALJ must send a letter to the complainant within ten days to explain the process and time line for the investigation. If the ALJ has already issued a decision in the case, the senior ALJ investigates, examines the hearing record, and responds within 30 days of receipt of the complaint. If the ALJ has not yet issued a decision in the appeal at issue, the senior ALJ does not investigate until after the ALJ issues the decision. This is to avoid interfering with or giving the appearance of interference with the ALJ's decision-making process. OAH also explains to parties the distinction between a complaint and an appeal. If the complainant merely disagrees with the merits or outcome of the ALJ's decision, he or she should consider filing a further appeal. Where a complainant disagrees with the ALJ's conduct, however, OAH treats the concern as a complaint.

Positive comments and interactions also form the bases for actionable customer feedback. ESD, for example, is working with several of the OAH field offices to implement a new program for the transmission of appeals and case files by e-mail. The goal is to have all offices using this format by fall 2007. Reducing appeal transmission times helps hearings occur in a more timely fashion.

3.1a(4) OAH captures customer concerns through regular meetings conducted between the EMT members and agencies, customer surveys, telephone calls, in person contact with field office staff, and complaint letters. In the future OAH intends to use its website to solicit additional feedback from hearing participants.

One method with both potential and challenges is the use of e-mail. For example, ESD employees occasionally send e-mail to ALJs regarding questions or concerns over their decisions. When only one party communicates with the ALJ outside the presence of the other party, it is called an *ex parte* contact. The Administrative Procedure Act (APA) imposes specific limitations as to what type of *ex parte* is acceptable without violating the APA or the due process rights of the absent party. In some offices, the department staff with questions or concerns will forward their e-mail to

the senior ALJ, rather than the ALJ in question. This system has proved quite successful. Additionally, ALJs can cure problems caused by receipt of *ex parte* contact by disclosing the details of the contact on the record at the hearing.

3.2 Customer Relationship and Satisfaction

3.2a Customer Relationship Building

3.2a(1) OAH works to build, maintain, and improve relations with its customers. The deputy chief ALJs and Executive Assistant meet with state agency representatives on every new caseload. The primary purpose is to build the relationship through communication. They guide a discussion of the customer's hearing and decision needs, and the customer's expectations of OAH. Also, ALJs are frequently on the agenda at customer and stakeholder meetings. ALJs need to exercise caution in their presentations so that it is clear they are providing education on the hearing process and that their remarks are not case specific. Each case needs to be judged on its own merits.

OAH also strengthens relationships through delivery of high quality hearing services. Many client agencies have moved to a more telephone-oriented communication system for the public. It can be difficult, with some agencies, to speak with a person early on in the process. For those needing help in navigating the governmental system, OAH continues to staff field offices and provide a human face for state government, rather than relying on an automated telephone menu. OAH staff endeavor to assist customers until reaching a solution, rather than leaving them with a referral to another government agency. This has added greatly to OAH's credibility and the positive feeling about the service provided.

3.2a(2) OAH customers access service and information through toll-free telephone numbers, by fax, in person, by mail, voice mail, and e-mail. The OAH website, www.oah.wa.gov, provides telephone, fax, and mailing information for all seven OAH offices. OAH offices also provide services to the public by allowing them to use OAH equipment (telephones, faxes, photocopiers), to interact with other agencies in conducting whatever business they have with the state government. They do not specifically have to have any hearing pending with OAH in order to be afforded access to these services. This is another way in which OAH provides quality service to the public.

3.2a(3) OAH has a prompt complaint management system. OAH requires senior ALJs to respond to oral and written customer concerns in a timely fashion. The process for written complaints was identified in Section 3.1a(3). Oral complaints are immediately referred to the senior ALJ, lead ALJ, or Legal Secretary 3 (office manager). These employees attempt to resolve the concern at the initial point of contact. The challenge is first to ensure that it is in fact a complaint that can be addressed by the office versus a

disagreement with an ALJ's decision, which can be appealed to a higher authority within allotted time frames. Another challenge is not to allow the complaint or concern to become an improper *ex parte* contact for an ALJ with a pending decision. The information may show that certain ALJs need training. It could also show that a certain process is not as effective as once thought. It might indicate that training is required for a specific ALJ. It might also confirm whether a particular communication format was effective or not.

3.2a(4) Senior leaders stay current with their approaches to relationship building by meeting on a regular and routine basis with client agencies and stakeholder groups. The meetings are usually face to face and have fostered the relationship. Meeting frequency varies from monthly to quarterly. However, because of the rapport which has been established during the face to face meeting times, client agencies and stakeholders are comfortable communicating by email and phone in between the regularly scheduled meeting times should the need arise.

3.2b Customer Satisfaction Determination

3.2b(1) The fact that customers continue to use OAH services does not necessarily reflect their satisfaction level, since appealing to OAH is normally a hearing participant's only option. OAH surveys help glean more information about customer satisfaction along with routine meetings with client agencies. Occasionally, members of the public will take the time to write and share their thoughts regarding a particular incident or service. Some of the survey questions ask how customers feel about the clarity of the hearing notice, hearing process, timeliness of the decision, and treatment by the ALJs during the hearing. The survey is normally mailed to the parties along with the decision when it is issued.

3.2b(2) Most actionable feedback comes in the routine meetings EMT members have with client agencies. Such discussions address concerns of both parties and whether OAH is meeting timeliness and quality goals with regard to that particular caseload. The client agency staff members feel free to contact OAH staff to address any immediate problems as well.

When a customer files a complaint about an ALJ, a follow-up letter is written at the completion of the investigation within 30 days of the receipt of the complaint letter, if the case is already closed, or within 30 days of the case being closed. The intent is that the ALJ will not feel intimidated or unduly influenced on how to decide the case, by knowing that they are being investigated following a complaint by one of the parties. If the investigation concludes with some form of discipline being administered against the ALJ, the customer is not informed of that action because of the confidentiality limitations surrounding the discipline

process. To the extent information is appropriate to communicate to the customer, it is.

3.2b(3) OAH endeavors to maintain positive relationships with client agencies and all governmental entities. By demonstrating its values and showing continuous innovation, creativity, and agility, OAH meets its mission and successfully serves the public. State

3.2b(4) The main method is the customer survey. OAH should explore other systematic methods of achieving customer feedback.

4.0 Measurement, Analysis, and Knowledge Management

4.1 Measurement, Analysis, and Improvement of Organizational Performance

4.1a Performance Measurement

4.1a(1) Senior leaders select performance measures that track progress toward the three goals set out in the strategic plan. The three goals are aligned with OAH's mission and vision. The first goal is to conduct high quality hearings and issue sound decisions. There are two key performance measures linked to this goal:

(1) The percentage of cases meeting or exceeding quality standards — OAH bases its hearing quality standard on the U.S. Department of Labor's *Handbook for Measuring Unemployment Insurance Lower Authority Appeals Quality*. Each quarter 40 cases, half ESD cases and half DSHS and other agency cases, are randomly selected. Senior ALJs or a designee review the case record, score the case based on the quality standards, and determine a passing or failing score. The data is entered into a database. The data on unemployment insurance hearings is reported quarterly to the U.S. Department of Labor.

(2) The percentage of customers satisfied or very satisfied with the OAH hearing process — OAH has conducted annual customer satisfaction surveys since 1998 (except for 2005). Senior leaders enter the survey results in a database and review it with the entire management team. The managers analyze the results and compare them to results in prior years.

OAH's second goal is to provide timely hearings and decisions. There are four key performance measures linked to this goal:

(1) The percentage of cases closed within 90 days of filing the appeal;

(2) The average age of each case in days;

(3) The average number of days to schedule a hearing from the time an appeal is received; and

(4) The average number of days it takes ALJs to issue a decision after the case record is closed.

OAH collects data on these performance measures, tallies the cumulative results monthly, and shares the results on-line with all managers.

OAH's third goal is to enhance organizational capacity, efficiency, diversity, and competency. There are five key measures linked to this goal:

(1) ALJ salary ranking compared to comparable positions;

(2) Employee ratings on satisfaction surveys;

(3) Percentage of employees with a current performance development plan;

(4) Employee turnover rate by classification; and

(5) Number of hearings avoided as a result of mediation.

OAH has collected data on ALJ salary and is using it currently in a request to the Department of Personnel (DOP) for a salary survey. DOP and the OAH Human Resource Manager collect data on the other workforce issues.

The funding mechanism employed by OAH to manage expenditures and cost recoveries (billings) is the Administrative Hearings Revolving Account. All revenue and expenditures are recorded in this fund for OAH services except for Whistleblower hearings, which are funded separately. As a revolving fund, OAH bills other state agencies for the work completed and receives the payments.

OAH's financial measures are not set out in its strategic plan, but are developed at the same time as the strategic plan and with the strategic goal of enhancing organizational efficiency. The goals and strategies proposed in the strategic plan are the basis for the operating budget. OAH develops its two-year operating budget by estimating future caseload, staffing needs, and expenditures by program, including overhead costs by month for the 24 months. The biennial budget process establishes the expected level of OAH activity for each of the five major client agencies and the funding is appropriated to each of these client agencies in their budget which is used to pay for OAH services.

On a monthly basis the EMT reviews and compares the budget for the five major programs plus overhead. The EMT reviews the actual expenditures by object of expenditure (salaries, benefits, facility rent, goods and services, travel, and equipment) to ensure OAH is spending appropriately. The state Enterprise Reporting system generates current reports with actual expense figures. In addition, a unique report, called the earned/used report, is prepared monthly to justify billing to ESD. OAH generates this report based on a federal formula called the MPU (minutes per unit), which accords a certain number of minutes to ESD workload. OAH must show that hours "earned" through workload are equal to or greater than the hours "used" or billed by staff. OAH generates a separate earned/used report for each field office so senior ALJs are able to ascertain whether their staff are meeting their office targets.

On July 1, 2007, OAH began tracking costs for each field office to determine the offices that are most cost effective for OAH. This information (which has not been tracked in the past) will provide OAH with the data to direct changes in its strategic direction for current and future facilities.

4.1a(2) The EMT searches for comparative data aligning with key performance measures. The EMT analyzes and reviews comparative data that relates to quality and timeliness of hearings and decisions, and workforce issues.

Comparative data is available on the unemployment insurance caseload because it is a nationwide program administered through a federal-state partnership. The U.S. Department of Labor annually assesses each jurisdiction's (state, territory, and Washington DC) performance on quality and timeliness, and publishes the results. In addition, senior leaders receive a monthly report ranking the states based on average case age in days. These reports allow OAH to compare its performance with other states, and particularly the three other central panel agencies that adjudicate unemployment insurance cases (Michigan, Oregon, and Washington DC). This ranking is important in light of the OAH vision of becoming the premier central panel agency in the nation and a model for other states to emulate.

OAH uses comparative data from DOP regarding state employees. This information comes from annual statewide employee surveys and a statewide rollup of human resource management data. It provides an opportunity for OAH to compare itself to other state agencies in the area of employee job satisfaction and morale. The personnel information and data relates to performance measures on employee satisfaction, performance and development plans, and turnover rates. OAH's HR Manager shares this information with the EMT as it is provided, and leads a discussion on how OAH can use the information to attain its goals.

In relation to the performance measure regarding ALJ salaries, OAH used comparative data to support a request to DOP to conduct a salary survey for ALJs and establish a separate benchmark for ALJs employed by OAH. This comparative data was comprised of compensation policies from other state agencies and some private sector law firms.

4.1a(3) OAH keeps its performance measurement system current by communicating with customers. OAH discusses performance at regularly scheduled meetings with its largest customers, and recently conducted a survey of all customer state agencies inquiring about OAH performance and their needs. Customers help drive what is measured and in setting the targets. For example, OAH did not measure average case age until the USDOL decided that would be a key measure in unemployment cases. OAH then expanded this measure to other caseloads in anticipation of other customer interest in this measurement.

4.1b Performance Analysis, Review, and Improvement

4.1b(1) Senior leaders review strategic goals during the strategic planning process, . Figure 2.1-1. During last year's

planning process OAH reaffirmed two previous goals and added a third (see 4.1a(1)). Senior leaders articulated objectives and strategies for success linked to each goal. Subsequently, they review and modify strategies and objectives as warranted.

OAH considers performance improvement during the planning process. For example, last year OAH solicited input from a sample of customers and from all agency employees, and held facilitated focus group sessions with management and employee representatives. From the feedback received, common strategy and initiative themes emerged that now help senior leaders to focus.

OAH also reviews performance in monthly GMAP meetings. In 2005, OAH began holding monthly GMAP meetings with individual presentations from senior ALJs and others on the management team. The content of each presentation was within the presenter's discretion. These meetings were discontinued for a time to provide the presenters with training on data presentation and with a standardized format, which includes reporting on objectives and performance measures. These meetings resumed with a focus on performance and performance improvement. These meetings are data driven with the data presented so as to allow comparison between offices and sharing best practices with a focus on progress toward performance targets.

4.1b(2) GMAP meetings are attended by the EMT and senior ALJs and focus on results. Senior leaders are expected to use performance data to continuously improve results. Senior ALJs translate and share the GMAP findings with their employees both before and after the meeting. Because the information is shared with the entire workforce, it gives employees the opportunity to innovate, improve key processes, and thus improve results.

4.1b(3) To incorporate performance results into key processes, OAH plans to implement a balanced scorecard. The balanced scorecard will be reviewed quarterly along with the strategic plan.

4.2 Management of Information, Information Technology, and Knowledge

4.2a Management of Information Resources

4.2a(1) OAH makes needed information available via several different methods. The method depends on whether the information is accessed by OAH employees, another state agency, or an entity external to state government. OAH workforce can access information via local network directory structures, via an internal website, or via an Intranet-based collaborative system ("wiki"). Other state agencies can access information via information sharing agreements. These agreements provide access to various OAH network resources. Entities outside state government

can access some OAH data and information via OAH's public website or via public information requests.

4.2a(2) OAH ensures hardware and software reliability in three ways. First, OAH uses maintenance contracts to ensure needed hardware and software updates and patches are promptly received and implemented. Second, OAH has an internal Help Desk to provide customer support. Support is multifaceted, and includes quality testing, technical problem solving, assistance, and research and investigation. Third, OAH uses centralized state resources through the DIS to obtain hardware and software that has been thoroughly tested and evaluated.

OAH uses a three-tiered approach to hardware and software security. The first tier is through employee user identification, passwords, and local security on employee hardware. The second tier is through an agency managed firewall and resources (SPAM filter, Virus and malicious code protection). The third tier is via the centralized state agency (DIS) that provides protection for all agencies connected to the state government network. OAH's centralized Help Desk works with employee liaisons to provide support, assistance, testing, information, and training.

4.2a(3) OAH has safeguards in place so that if an electrical or hardware failure occurred, the systems could be restored and made available. OAH has weekly offsite storage of all centralized agency data. The OAH IT unit also has an emergency notification plan (phone tree) to coordinate and inform resources needed to restore and make available data, information, and systems.

4.2a(4) OAH has five ways to keep systems current with changes in the operating environment: First, OAH has corporate maintenance agreements to keep hardware and software updated with patches and upgrades; Second, OAH closely coordinates with DIS; Third, OAH maintains close coordination and builds relationships and partnerships with suppliers and collaborators; Fourth, OAH has developed a strategic technology plan; and Fifth, OAH maintains on-going training and education of its technology staff.

4.2b Data, Information, and Knowledge Management

4.2b(1) The OAH IT unit ensures the accuracy, integrity, timeliness, and security of OAH data, information, and knowledge.

OAH electronic data goes through a daily core balancing procedure. This procedure checks entered data against other data systems to determine its integrity. Other critical data systems also have scheduled integrity and validation checks against comparable data systems. Security and confidentiality is managed through mandatory non-disclosure agreements signed by employees.

4.2b(2) OAH systematically manages and shares knowledge and best practices through regularly scheduled telephone meetings with employees working in the same positions statewide. OAH requires regular meetings for office support managers, schedulers, and senior ALJs. In the case of senior ALJs, their meeting includes followup from GMAP meetings. The senior ALJs and office managers also hold regular staff meetings in their individual offices.

5.0 Workforce Focus

5.1 A key OAH value lies at the heart of the work system: “Staff is our greatest asset.” OAH is committed to the personal and professional development of all OAH employees, including permanent, temporary, and part-time personnel, ALJs and support staff, supervisors and managers at all levels. OAH actively seeks employee involvement and a shared sense of commitment and service at all levels. OAH engages, manages, and develops its workforce to achieve organizational and personal success through a work system designed to develop and maintain a high-performance workplace. The work system aligns with OAH’s other key work systems (see Category 6) and promotes focus on its strategies, mission, and values while providing organizational agility.

5.1a Workforce Enrichment

5.1a(1) OAH determines key factors affecting workforce engagement through strategic planning, work teams (at both the executive and local office levels), and process improvement initiatives. These processes result in knowledge and resources shared with employees to achieve high performance and accomplish OAH’s work. OAH organizes jobs to support its key processes. Senior ALJs review and update job descriptions annually, and when changes are warranted to keep current with business needs and caseload fluctuations.

Each year the EMT conducts strategic planning sessions to define short and long term goals. As part of that process, senior leaders solicit ideas from all agency employees. Senior leaders also facilitate focus group sessions with interested employees. The 2007-2013 Strategic Plan incorporates many objectives and strategies for success identified by agency employees in these sessions. For example, the following objectives are defined to meet the key agency goal of enhancing organizational capacity, efficiency, diversity, and competency:

- Implement technology solutions that increase the timeliness and quality of decisions
- Equalize ALJ compensation levels
- Assess support staff career opportunities
- Refresh the employee recognition program
- Increase employee training opportunities
- Provide greater “access to justice” services
- Enhance OAH outreach to stakeholders
- Boost the use of mediation
- Further integrate and improve agency quality management, accountability, and performance systems among all employees

Strategies for success, key performance measures, and an accountability link are identified for each objective. The methods for determining workforce engagement and satisfaction among employee groups are essentially the same, regardless of employee position or office location.

When different methods are employed, they are tied to specific objectives. For example, support staff career opportunities are assessed through an evaluation of current positions, promotion opportunities, and turnover rate, and comparing position duties and job classes between OAH offices and among other agencies.

OAH employees participated in the 2006 Employee Climate Survey administered by the Department of Personnel. Employees rated issue statements on a low-to-high scale of 1-5. This assessment included questions regarding leadership, resources to perform the job, workplace environment, recognition, and other fundamental factors that drive employee success and satisfaction. All results, whether positive or negative, were analyzed by senior leaders to determine agency strategies, priorities, and training or other needs.

Based on workforce input from the Climate Survey, two Training Coordinator positions were established (one ALJ position and one support staff position). The Training Coordinators conducted a skills inventory and training needs assessment of all agency employees via email, assessed the results, and identified training priorities and available training resources to accomplish that training.

5.1a(2) OAH fosters an organizational culture conducive to high performance and a motivated workforce to accomplish OAH’s work in several ways. Effective information flow, two-way communication, and skill sharing are achieved across work units, jobs, and locations through a variety of mechanisms. To accomplish a cooperative and effective communication environment, OAH uses its Intranet, Internet, all-staff phone conferences led by the Chief ALJ, employee newsgroups, quarterly management meetings, weekly EMT meetings, and peer group meetings. For example, senior ALJs participate in scheduled monthly meetings by telephone conference call to share best practices and ensure standardized practices across work units. Support staff supervisors and hearing schedulers participate in similar peer group meetings on a bi-monthly basis. Employees actively share diverse ideas, cultures, and thinking in these peer group meetings as well as the other communication methods described above.

To promote innovation, initiative, and empowerment, all employees are responsible for the oversight of operations at OAH. Employees determine how their position is linked to the others and how they contribute to the success of OAH. Every OAH office has cross-trained employees in multiple processes and different caseloads to cover different areas when needed. This agility provides continuous business operations to serve the public and enables OAH to meet its mission. Innovations such as job deskbooks originated from support staff members who sought a more efficient system of providing quick and consistent answers to commonly asked questions from both internal agency employees and external customers and stakeholders. Deskbooks have been

developed for several employee positions at the local office level and at headquarters. They are important tools not only for day to day ability to quickly respond to questions and processes, but also to ensure business continuity in case of staff shortage and the need to cover another employee's duties.

Several cross-functional teams of employees voluntarily participate in specific caseloads, trainings, committees, and/or projects outside their regular scope of work. Employees with particular interest or special skill in certain areas are provided new challenges and opportunities for growth, learning, and succession planning. Both ALJs and support staff actively participate in such diverse areas as legal writing and research, bilingual assistance, health and safety issues, process improvement strategies, and employee training recommendations. A key OAH value is respect for individuals – OAH embraces the diversity of individuals and their contributions, and strives to treat all people with dignity and respect. The unique diversity of OAH employees enables OAH to not only reflect the diverse populations of the state but also to benefit by developing processes that reflect diverse cultures and needs. See Figure 7.4-2. (Section 5.2a(2) addresses diverse workforce hiring.) Access to justice is a key objective to OAH's goal of enhancing organizational diversity. OAH employees assist non-English speaking and low-income populations by providing information via phone calls and links on the OAH Internet to a variety of legal service organizations that assist specific populations, and to develop agency forms and brochures in languages other than English to provide information regarding OAH's hearing process. Although employees cannot give legal advice, they are empowered to assist hearing participants navigate the hearing process.

As OAH moves forward to continuously improve its performance-based culture, processes are changing to support a high performing workforce with a high level of motivation and job satisfaction. In July 2006, OAH's PD and PDP forms were updated to provide clearer linkages, requiring a description of how each position links to OAH's mission and vision, and requiring each position to link key results expected to one or more of OAH's strategic goals. All senior leaders received Performance Development Plan training from the Department of Personnel in 2006.

OAH makes its strategic plan available to each employee through its Intranet. Senior ALJs discuss specific goals and objectives with the employees under their supervision and include those goals and objectives in each employee's PDP. Employees are encouraged to individually set goals, including training, to benefit both OAH and the employee's career growth and satisfaction. The senior ALJs and their employees review the goals and direction informally and periodically to ensure they meet changing organizational needs and reflect new business or legal requirements.

5.1a(3) High-performance work and workforce engagement are supported by the workforce performance management system through various forms of employee recognition. Employees are recognized for success in areas including meeting agency goals, customer service, innovation, teamwork, exemplary performance, and distinguished service at periodic statewide meetings and other staff meetings. Service award certificates, state pins, and other types of awards are presented for distinguished service and special project achievement. OAH recommends state monetary award for employees who design cost-saving innovations or changes. Other forms of recognition include formal and informal local office recognitions—e.g., email or letter of appreciation, agency website and/or Intranet articles and photos, supervisor-sponsored events, such as lunches—and special assignments, appointment to various committees, and conference attendance to reward outstanding performance.

To ensure OAH hires and recruits the highest skilled professionals possible, OAH pursues compensation equity for its employees. Although many employee salaries in state government are set by the Department of Personnel, OAH secured pay increases for the ALJs and IT staff in July 2007 by successfully demonstrating to the Office of Financial Management that the salary structure in those positions lagged behind comparable positions inside and outside state government. The OAH compensation action plan calls for the OAH salary survey committee to use a variety of salary survey information and input from employees and stakeholders in an effort to secure further comparable compensation packages, including working with the Department of Personnel to assist OAH in reviewing and assessing comparable salaries for OAH ALJs with Washington State Superior Court judges. As part of the action plan, OAH is also working with two other state agencies that perform similar work to assess support staff career opportunities. This process involves developing job specifications that accurately reflect the legal work done by OAH support staff. This review will create a more robust career path for support staff and assist OAH in recruiting and retaining highly qualified staff.

5.1b Workforce and Leader Development

5.1b(1) OAH addresses workforce development and education needs in several ways. OAH ascertains performance expectations through the use of the governor's GMAP process. Monthly GMAP sessions are held to report results from the last meeting, review OAH's performance data for the reporting period, analyze trends in staffing and caseload, and develop action plans to address performance gaps. An action plan may include technological, budget, or staffing resources needed to succeed. This information is then communicated to all employees through senior leaders and senior ALJs.

Organizational performance improvement, technological change, and innovation are addressed in the strategic plan, the IT Portfolio, and GMAP sessions and are reviewed by senior leaders to ensure goals are met or action plans are developed and implemented. For example, the 2007-13 strategic plan identifies a goal to enhance organizational capacity, efficiency, diversity, and competency. An objective identified for meeting was to implement technology solutions to increase the timeliness and quality of decisions, and included six key strategies for success. The IT Manager develops a prospectus for each project that is aligned with the strategies for success. The IT Manager recommends specific projects to senior leaders based on OAH's goals as well as innovation within the IT unit for technological changes to benefit OAH's employees and customers. The EMT discusses the recommendations at weekly meetings and makes decisions based on short and long term goals for OAH, within budgetary constraints.

The breadth of development opportunities includes the PDP process, education, training, coaching, mentoring, and work-related experiences, and is addressed in several ways. During the PDP process, employees and supervisors discuss both core competencies and strategic challenges as well as identify training and development opportunities for the next review period. OAH recognizes the value of continuing education to increase workforce knowledge and job satisfaction. Through the Department of Personnel and the Washington State Bar Association, hundreds of workshops and attorney continuing legal education (CLE) seminars and conferences are offered. As funding is available, many CLE seminars for ALJs are approved and paid by OAH pursuant to policy. These CLEs are designed to enhance job-related knowledge, skills and abilities and further professional growth and development. Attendance at CLEs is also used as recognition for exemplary work performance. Similarly, applicable Department of Personnel courses are approved for employees as needed and as funding allows. When funding is available, OAH also can provide tuition reimbursement to qualified employees to enhance skills and develop a greater skill set for the employee's personal growth and agency needs.

In addition, several mandatory and voluntary "in-house" training opportunities are provided to all employees, including technology, human resources, and safety issues—*e.g.*, legal research tools, diversity, sexual harassment, disaster preparedness—or job-similar employee groups, such as specific child care licensing training for DSHS cases, relief of benefit charging training for unemployment insurance cases, and special education training for Superintendent of Public Instruction cases. Employees are successful in accomplishing OAH's work and increasing public service through principles of "First in Touch," whereby the frontline workers are trained to assist callers to navigate the administrative hearings process with the help of a manual developed by employees. Training programs offered through lectures and presentations are taped and

made available for employees. The tapes are located in OAH's library and can be checked out by any employee. OAH employees also receive some technical, supervisory, or other specialized training electronically, oftentimes through assistance from the Department of Personnel.

The transfer of knowledge from departing or retiring workers is achieved throughout the employment term in the form of mentoring and cross-training. Each support staff employee has a supervisor who trains and acts as a mentor to that employee. The supervisor develops a training plan for each new employee, and usually requires the new employee to read a desk book for the particular position. The new employee also meets periodically with the supervisor and coworkers to discuss issues of common concern. OAH trains support staff to handle each other's duties, providing continuity of business in case a worker is unavailable and also to provide skill sharing for greater career growth and an individual sense of responsibility and control to meet the needs of OAH. ALJs also work with mentors to train in both processes and legal subject matter expertise. The mentor ALJ typically has worked many years in state service and provides valuable information regarding agency history and the reasons for certain trends in staffing and caseload. The departing worker is also asked to complete an exit interview with HR that asks about the reason for leaving as well as the positive and negative aspects of the job. Senior leaders review the information provided by the departing worker and, if appropriate, provide recognition or take other action based on the comments. Supervisors and mentors coach and counsel employees both in writing and orally, with the goal of improving skills and achieving success.

Employees share new knowledge and skills learned through each new training. After the training, the employee provides feedback, either in writing or in a group meeting, with fellow workers and supervisors. The employee also completes a Report of Training which is kept in HR and reviewed by senior leaders in the development of future training.

5.1b(2) OAH's strategic plan identifies its work, goals, and strategic challenges, and assesses its performance, including strengths and opportunities for change. Each employee's Position Description and Performance Development Plan identifies core competencies and specific skills targeted for development, including training. Personal leadership attributes, organizational knowledge, ethics, organizational performance improvement, and innovation are identified in the PDP and reviewed annually by the employee and supervisor.

All aspects of leadership development and opportunities are identified in one or more forms, including education, training, coaching, mentoring, and work-related experiences. To ensure managers have the tools they need to lead, senior ALJs, lead ALJs, and support staff

supervisors receive supervisor training through the Department of Personnel. Additionally, supervisors attend HELP Academy, a series of training sessions focused on legal issues in the workplace, including laws against discrimination, harassment, and violence in the workplace. Several senior leaders, EMT members, and senior and lead ALJs attend training including the state budget, GMAP, mid-manager's leadership academy, and the governor's annual leadership conference. Senior leaders provide continuous coaching and mentoring to senior ALJs, conduct management and senior ALJ meetings, and visit each OAH office to transfer knowledge and stay current with each office's needs. Senior ALJs share their leadership skills and knowledge with lead and line ALJs and are located on site where they can provide continuous two-way communication. Support staff supervisors provide coaching and mentoring to the support staff under their supervision, and develop systems for different support staff positions to cross-train and mentor each other.

OAH managers are committed to using the Baldrige principles to improve all aspects of business, including employee satisfaction. In 2006, a WSQA representative met with the EMT to discuss how the Baldrige Criteria could help OAH. Several managers attended WSQA sessions, some of which included instruction about the state's GMAP process. The Baldrige Leadership Team (consisting of the Chief ALJ, the two deputy chief ALJs, two senior ALJs, and a special project ALJ), attended many WSQA training opportunities in 2006, including completion of training as Baldrige Examiners. Three additional senior ALJs and three managers attended Baldrige training in 2007.

5.1b(3) OAH evaluates the effectiveness of its workforce development and learning systems by addressing the impact on individual employees, work units, and organizational performance, the impact on customer-related performance, and a cost/benefit analysis. Customer satisfaction is measured to assess results of workforce training. Performance measures are addressed and problems are resolved in monthly GMAP meetings. Senior ALJs communicate the results of those meetings and any action plans developed to all staff.

5.1b(4) OAH manages career progression through specialized training that enhances particular skill sets, such as Baldrige performance management, to ensure effective workforce placement (the right person in the right job). To help employees realize their potential, supervisors prepared individual development plans for a number of employees. OAH implemented an action plan that requires 100% of employees to have an individual development plan during the 2008 PDP cycle. To ensure effective succession planning, OAH senior leaders and supervisors share knowledge at a variety of meeting venues and cross-sectional teams, ensure that performance development plans are up to date and reviewed periodically, and identify and ensure leadership training opportunities are provided for

employees. Employees are also given opportunities to serve in leadership capacities in cases where the supervisor is absent or engaged in another project.

5.1c Assessment of Workforce Engagement

5.1c(1) OAH assesses workforce engagement through numerous mechanisms, including the Employee Satisfaction Survey (see Figure 7.4-1), agency self-evaluation, annual performance review process, local office staff meetings, and exit interviews. Senior leaders consider the information obtained from these formal and informal channels when considering necessary adjustments. Other indicators used to assess and improve workforce engagement include workforce diversity (see Figure 7.4-2), on the job injuries (see Figure 7.4-6), employee sick leave usage (see Figure 7.4-7) and process improvements (see Figure 7.5-1).

5.1c(2) Workforce engagement assessment findings are related to key business results through data tracked and tied to specific uses. Data regarding employee satisfaction, productivity, timeliness of decisions, leave usage, quality, employee diversity, and grievances is tracked and used to identify areas that need attention on an individual or group level. For example, OAH began using an employee satisfaction survey tool a few years ago to identify strengths and areas of improvement. In April 2006, OAH participated in the employee satisfaction survey. Results from that survey indicated employees were dissatisfied with the lack of meaningful information about their performance in their performance evaluations. See Figure 7.4-1. An action plan was developed to address this challenge and requires all supervisors to ensure that all employees have a timely PDP in place every year, that every employee has appropriate and ongoing supervisor feedback on performance, and that every employee has an individual development plan (training plan) in place during the 2008 PDP cycle.

5.2 Workforce Environment

5.2a Workforce Capability and Capacity

5.2a(1) OAH assesses its workforce capability and capacity needs, including skills, competencies, and staffing levels, by assessing and reviewing performance measures regarding caseload and staffing on an on going basis. OAH has a plan to respond nimbly to caseload fluctuations by retaining pro tem ALJs and temporary support staff who can come in on short notice to work in times of caseload increases, thereby meeting the mission of holding prompt hearings and issuing timely decisions with no need for delay to the citizens or state agencies. Through the PDP process, senior ALJs and support staff supervisors identify individual competencies, and further training is recommended if appropriate to meet performance goals.

5.2a(2) OAH's objective of providing greater access to justice services is achieved in part by recruiting and

retaining a workforce that reflects the diversity of the customers served. A key agency value is respect for individuals and their contributions. OAH is a leader in hiring and maintaining a diverse workforce, both in comparison with other state agencies and also with the Washington State workforce in general (see Figure 7.4-2). OAH's workforce diversity exceeds the statewide percentage in availability for females, people of color, disabled, and over 40 years of age. OAH's goal is to achieve parity for Native Americans, Hispanics, and Disabled Veterans. To achieve this goal, OAH will continue its broad based recruiting efforts and posting position vacancies on state and local bar association websites such as *The Bar News* in Washington State, advertising in state and local bar association publications, completing personal contacts and mailings to affected group members, advocates, organizations, and resource agencies. OAH conducts outreach efforts by sending ALJ job announcements to professional organizations and the OAH HR Manager works with DOP's Workforce Diversity Manager and DOP's recruitment services for assistance in contacting affected groups' members. In addition, OAH provides all employees with information about transfer and promotional opportunities within OAH and strives to retain a diverse workforce at all levels.

5.2a(3) OAH manages and organizes its workforce by identifying business and caseload needs and opportunities, and then recruiting, hiring, and retaining a competent workforce to accomplish the work. OAH's core competencies are identified in the strategic plan and in each employee's PDP. Employees are made aware of the core competencies during the hiring process and during the new employee orientation and they are repeated and modified, if necessary, during the employee's annual performance review. The customer and business focus is reinforced through new employee orientation and training. Performance expectations are identified for each employee and all employees are encouraged by their supervisors to be innovative and exceed those expectations through process improvements. Strategic challenges and action plans are addressed in various means, including office meetings, GMAP sessions, and in the employee's performance review. OAH remains agile in times of business change by hiring ALJs *pro tem* and other temporary staff work during peak caseload times. Another effort in this regard is the on-going assessment of costs, including facilities' rates, to determine whether business strategies and processes should be modified to reduce costs. Examples of such changes could include reducing office space or allowing more teleworking.

5.2a(4) OAH prepares its workforce for changing capability and capacity needs through a variety of methods, including ongoing communication with employees, agency in-house training, and training in career opportunities and other appropriate employment education through DOP, as well as assistance through HR to determine possible transfers or

promotions to other state positions. When funding is available, a tuition reimbursement program is available to employees.

Employees can request OAH approval for reimbursement to attend courses at local colleges to advance or change their skill set while remaining employed with OAH. To ensure continuity and prevent workforce reductions, OAH works to achieve process efficiencies. Most employees are cross-trained and can continue to work for a different caseload if their assigned caseload is declining. Employees are aware of caseload fluctuations through office meetings and senior leader reports, and know that the following steps would be taken to prevent reductions. The use of ALJs *pro tem* would be adjusted and decreased along with any caseload decrease. If a caseload declines dramatically and remains low, OAH's plan is to not fill vacant positions and decide whether to vacate existing facilities to reduce office space and allow more teleworking. To minimize the impact of workforce reductions, OAH's reduction in force policy would be reviewed, and OAH's Assistant Attorney General for personnel issues would be consulted.

5.2b Workforce Climate

5.2b(1) OAH ensures and improves workplace health, safety, and security in multiple ways. Each field office has a safety committee that meets regularly and holds responsibility for assuring agency-wide consistency and oversight of safety. Through the employee safety protocols, response is rapid to safety concerns and real or potential threats. Every employee receives safety information and training, including evacuation and fire drills, and anti-harassment training. Safety bulletin boards exist in each office and the safety committee sends e-mails on safety issues as needed.

In 2006 and 2007, the OAH office in Spokane reported a series of hostile situations involving angry hearing participants that occurred in their front lobby area. The Spokane office had a safety plan, and also had a cipher-locked door to control the flow of non-employees through the workplace. The safety committee determined a protective glass enclosure was needed in the reception area to protect both the receptionist and the rest of the employees in the back rooms. OAH senior leaders and the EMT approved the safety committee's request and an enclosure was installed in 2007. OAH senior leaders instructed each office's safety committee to assess their front reception access. The safety committees provided recommendations and the senior leaders and EMT are reviewing them. Safety devices, including protective glass enclosures, are under consideration for at least one other office.

For technology, OAH has an IT Security Plan and security-related policies to ensure that only authorized individuals can access work areas and computers. Front desk personnel primarily, and other staff secondarily, are trained to handle

an unauthorized entry or security threat. OAH also provides disaster preparedness and health training, including training in basic first aid and CPR.

Work stations are set up to accommodate individual requirements. Appropriate evaluations are conducted upon request to determine any ergonomic or disability accommodation needs or special equipment.

5.2b(2) OAH supports its workforce through an array of benefits, services, and policies designed to attract and retain a professional, talented group and to contribute to their well-being, satisfaction, and motivation. Pertinent agency policies supporting the workforce include policies regarding Ethics, Reasonable Accommodation, Leave (for paid and unpaid absences), Safety, Grievances, Sexual Harassment, Discrimination, and Retaliation. Employees are informed of all agency policies at time of hire and the location of the policies both on the OAH Intranet and the hard copy policies and procedures manual.

OAH employees have a generous benefits package:

- Full medical, dental, and vision for employees and family members
- Basic life insurance
- Long-term Disability insurance
- Retirement and the option to participate in the Deferred Compensation Program (supplemental retirement program)
- Paid vacation leave based on years of service
- Sick leave
- Personal holiday
- Paid major holidays
- Parental/FMLA/shared leave
- Paid leave for jury duty
- Paid leave for limited military service; unpaid leave for longer term
- One to three days paid bereavement leave

Additional benefits, assistance, and opportunities include: support for professional development including paid administrative leave and reimbursed travel to attend relevant training; in-training and rotational assignments; flexible work schedules; teleworking; the Employee Assistance Program (a counseling service); the Dependent Care Assistance Program; Tuition Reimbursement Program (subject to available funds); eligibility to participate in the Guaranteed Education Tuition (GET) Program (prepaid college credits); Commute Trip Reduction Program (payment of Vanpool and bus costs to commute to work - very popular with employees in larger city offices statewide); attendance at Access-to-Justice events; Combined Fund Drive; adopt families each year during the holidays; food and toy donations to various organizations and shelters; and agency logo apparel.

6.0 Process Management

6.1 Work Systems Design

6.1a(1) OAH determines core competencies in accordance with OAH's mission and the skill sets necessary to accomplish that mission. Accountability, self-management, work process management, and communication skills are some of the core competencies required by OAH. These competencies reflect the need for employees to handle their caseloads or work assignments to move the hearing process forward quickly, while maintaining high quality. It also reflects the importance of good communication skills. OAH is focused on process improvement in its highest volume caseloads, which are public assistance, child support, and unemployment insurance. The required core competencies will be used to specifically develop process improvement solutions for these caseloads.

6.1a(2) Many work processes depend on the workforce resources available, staff talent and skill sets, and the geographic area they serve. The basic flow of work is the same for all field offices. However, larger offices are able to dedicate one or more staff members to a particular process or step in the process. Smaller offices are only able to assign one person to a task and that person may be required to perform other duties too. All key work processes in the set-up, hearing, and processing of the decision are internal. No key processes are done by any outside entity for OAH. Support functions such as interpreter services and court reporters are contracted with outside providers. Field office staff also work closely with other agency staff to monitor problems and develop solutions to areas of workflow constraint.

Field office staff members are encouraged to work with the client agencies and other OAH staff to work out solutions on the local level. This has led to innovations that are shared with other offices through the regular GMAP meetings and senior ALJ meetings. An example is the use by the Spokane office of a 90-day due date label placed conspicuously on the DSHS files. This heightens everyone's awareness of that performance measure. Spokane was also the first office to begin receiving appeals from ESD electronically. Both actions helped to speed up the process.

Work processes are reviewed regularly as part of the monthly GMAP meetings.

6.1b(1) The key work process for OAH is timely, quality, and efficient movement of the appeal (request for hearing), through the system to yield a high quality and timely decision. Depending on the caseload type, the appeal may be submitted in written or in oral form. If it is an oral request for hearing, OAH support staff must reduce the oral appeal to writing and place it in the case file. Once the appeal is filed the time line begins to run, establishing the ultimate due date for the decision.

The appeal workflow process is detailed in Figure 6.1-1.

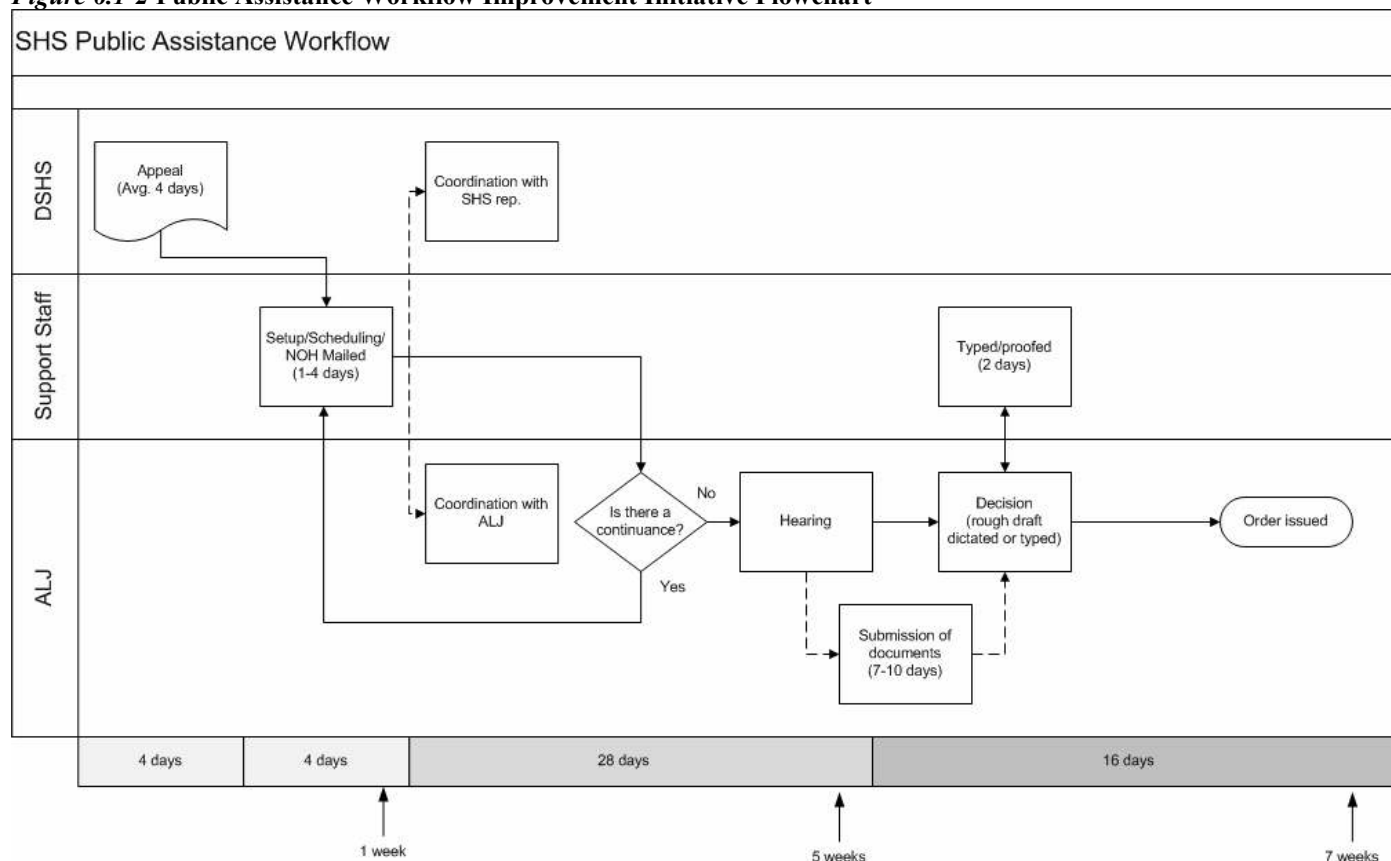
Figure 6.1-1 Appeal Workflow Overview

a) Staff receive an oral or written appeal.
b) Staff set up a hearing file for the individual and agency with all accompanying documents.
c) A scheduler schedules the case within time lines for that particular caseload.
d) An ALJ conducts a hearing.
e) The record is closed and the ALJ writes and issues the decision or ruling.
f) Finally, after a specified period of time, the file is returned to the client agency who will serve as custodian of the hearing file.

For several years OAH has measured the time it takes to move an appeal through the various stages of the process. This has helped identify where there may be a potential for improvement and innovation, and has helped identify workflow bottlenecks. Over the past 18 months the Chief ALJ has spearheaded an ambitious process improvement program to streamline that process in all caseloads. By working to improve this process, OAH is addressing its goal of timely decisions which will build on the organization's success. Improved efficiency helps OAH in its efforts to address current business needs—*i.e.*, be a sustainable organization. Another by-product is increased agility in responding to the needs of the customer.

Another OAH key process is providing assistance to help the public navigate the government system. Although OAH prohibits staff from giving individualized legal advice, they are available to answer general questions and provide other assistance so people can access government resources.

OAH has determined that performing these functions to the best of its ability creates the most value for the public in general and the parties to the case, or customers, in particular. People use OAH services because they have a need and the timely and quality delivery of these services is the responsibility of OAH.

Figure 6.1-2 Public Assistance Workflow Improvement Initiative Flowchart

6.1b(2) OAH strives to implement its mission daily. The mission is simple and work processes are designed to facilitate its execution. All of OAH's main efforts are designed to provide due process for the public and the client agencies through the hearing process within the statutory, regulatory, and internal time lines.

6.1b(3) The work processes behind data performance are discussed at GMAP meetings. OAH has implemented changes revealed at those meetings. Figure 6.1- 2 displays a workflow process improvement developed at a GMAP meeting involving the DSHS public assistance caseload. In addition, field offices have a degree of autonomy to develop solutions to work problems and to innovate as an office in conjunction with client agencies. If successful, these innovations or best practices are implemented statewide. For example, for years OAH and ESD have measured the time it takes for an appeal filed with ESD to be transmitted to OAH. ESD agreed to transmit at least 72% of appeals within five days of the appeal filed date. It is important for OAH to receive appeals quickly so that it can meet timeliness performance goals. In part, ESD's process was to copy the appeal file and mail it to OAH and on many occasions due to the time spent in the mail ESD could not meet the 72% goal. During the fall of 2006 an OAH staff member in the Spokane field office and an ESD staff member at the Spokane County Telecenter came up with the idea of emailing the appeal documents. After the Spokane

office implemented it and showed e-mailing significantly saved transmission time, the process was exported to other OAH field offices. The initiating staff members trained the staff in other offices on the process, and since then the process has been further refined by staff in the other offices.

OAH has established cycle time goals for the various caseloads. Hearings conducted for ESD are to be closed either within 30, 45, or 90 days of the date of appeal. The internal OAH cycle time goals for each time frame are 80%, 90%, and 95% respectively. For the DSHS caseload, the cycle time goal is 80% of all cases closed within 90 days of the appeal. The process improvements are designed to insure that OAH meets or exceeds these goals.

Field offices sometimes innovate out of necessity. A particular field office has developed a particular solution because of the specific needs of their office. Since the new Chief ALJ assumed leadership of OAH, there has been a more coordinated call for staff to be innovative and to share their innovations with other field offices. This information is deployed through both the GMAP meetings and the senior ALJ meetings conducted by the deputy chief ALJs.

Additionally, OAH has hired a new IT manager who has substantial experience and knowledge regarding new technology and how it might improve OAH work processes. Thus far, the IT manager has provided solutions involving

mobile computing and digital recording which will give OAH more options in working to implement the mission.

6.1c Computer systems are backed up daily to ensure the security and integrity of the data. As an agency, OAH has an agency-wide safety officer and each field office has a safety committee. Each safety committee is responsible for safety procedures and drills.

Over the past ten years, OAH operations have been disrupted by an earthquake, a few bouts of severe weather, and occasional power outages. OAH's published policies include an emergency plan. Among other things, this plan includes a checklist of what to do with electronic equipment and a list of phone numbers for senior leaders and landlord contacts. Some field offices have also developed a telephone tree list with a specific order in which staff members are to be called to ensure that all of the office staff have been located and informed.

OAH has made several improvements to some of its field offices to improve the security of the workforce. One security improvement was the addition of a tempered glass reception barrier to one office reception area and an alarm system to another.

6.2 Work Process Management and Improvement

6.2a(1) Field offices implement, monitor, and innovate OAH's core work processes. The senior ALJs report their intake of appeals and projected ability to handle those appeals on a weekly basis to their deputy chief ALJ. Senior ALJs also report monthly to the Chief ALJ and the management team at GMAP meetings on each office's performance. Each caseload has a different set of mandated due dates. OAH has set its own due dates at a higher level than those mandated by law. Consequently, when the OAH goal is met, the legally mandated goals have been exceeded.

During the GMAP and senior ALJ meetings, performance initiatives and work processes are discussed with the senior ALJs. The senior ALJs in turn discuss the directives with their staff. Each office is given a certain amount of autonomy regarding the implementation of such initiatives. Staff members are encouraged to be creative in developing responses to the work needs and design requirements. The guiding principle is that whatever ideas are developed, they should help to further the OAH mission of producing sound and timely hearings and decisions.

All senior ALJs are informed of the need to meet the key process requirement of timeliness as part of their Performance Development Plan (PDP). It becomes a key basis by which the performance of each senior ALJ is measured. Senior ALJs in turn establish this as an expectation for the ALJs and support staff in each office. The need to produce quality and timely decisions is communicated throughout OAH. Offices develop their own

methods for noting time lines and due dates. Most offices keep a list of all hearings held by each ALJ with their due dates. In some offices, the list is maintained by the ALJs and in other offices by the support staff. One such example is that many field offices have implemented a practice started by the Spokane OAH office of putting the critical 90-day date on the face of the file for DSHS cases. The computer system does not automatically generate that particular date. It is a key measure for the DSHS caseload. This method heightens each employee's awareness of the time line and ability to meet it.

OAH currently is working to improve the timeliness of scheduling cases for a hearing as soon as possible within the required time lines. The problem with actually bringing these cases to hearing, and ultimately to closure, is that with the DSHS caseload there is always a DSHS representative present at the hearing as a party to the case. Therefore, the timing and amount of DSHS cases that can be scheduled is limited by the availability both ALJs and DSHS representatives.

OAH hears the voice of customers in several different ways and at several different levels. OAH must meet its mission of quality and timely decisions. However, it is a decision-making organization based in law and must therefore work to achieve its stated mission within the bounds of due process. Significantly, customer input has helped improve the overall process in the following ways:

1. Joint efforts with ESD to implement the electronic transmittal of appeals
2. Improvement of OAH-designed hearing brochures to improve the clarity of the document
3. Improvement of several OAH Notices and orders to improve clarity
4. Joint efforts to more efficiently and timely schedule hearings

OAH, as a decision-making body, has a unique challenge in ensuring that all parties feel they were heard and treated fairly, even though they did not prevail. Hearings are contested cases and usually one party prevails over the other party.

In order to monitor OAH performance, key performance measures are reviewed at each monthly GMAP meeting. There are four key measures for the ESD caseload and seven key measures for the DSHS caseload. They are:

ESD – Unemployment Insurance (UI) Measures

1. The Appeal Transmission time from ESD to OAH
2. The Average Age of UI Cases Pending in each Field Office
3. The Percentage of UI Cases Closed within 30 Days
4. The Percentage of UI Cases Closed within 45 Days

DSHS – Public Assistance and Division of Child Support Measures

1. The Number of DSHS Hearings Held
2. The Number of DSHS Cases Closed
3. The Percentage of DSHS Hearings Held to the Percentage of DSHS Cases Closed
4. The Average Age of Public Assistance Cases Pending in each Field Office
5. The Average Age of the Division of Child Support Cases Pending in each Field Office
6. The Number of Public Assistance Cases Closed within 90 days of the Receipt of the Appeal
7. The Number of Division of Child Support Cases Closed within 90 day of the Receipt of the Appeal

6.2a(2) The Chief ALJ requested voluntary inspections for each field office by L & I. When an agency requests such safety audits voluntarily, L & I may not assess fines. This served to minimize potential costs of maintaining a safe working environment.

There is no separate organization which comes into OAH to evaluate any work processes or conduct any performance audits. Therefore, efforts to reduce rework and to prevent errors are key internal functions. Some offices have staff specifically designated to proofread the initial and final orders before they are issued. Other offices use informal methods to achieve the same result.

One effort to reduce errors and rework has been built into the database which produces the orders for the ESD caseload. This computer system produces much of the standard language automatically. This is based on the information input initially which designated the case type. This allows the ALJ to focus on inputting the information which is unique to the case. With the DSHS cases, more of the standard language has to be input at the same time as the more unique, fact-specific information. Thus, there are more sections in the DSHS orders which have to be scrutinized more closely to avoid errors.

6.2b The monthly GMAP meetings allow the management team to learn about the challenges and successes of OAH as a whole. In this forum, the GMAP team is able to study improvements and innovations in depth and develop solutions on an agency-wide or individual office basis as appropriate. Each deputy chief ALJ also conducts a monthly meeting to address issues pertinent to their particular caseload. OAH applies the same group approach to the caseload area and enables field offices to share their innovations.

7.1 Product and Service Outcomes:

7.1a. OAH's key service is delivering timely, quality hearings and decisions. Timeliness and quality are important to all OAH customers.

To obtain key performance results for quality, OAH randomly selects closed cases for review by senior and lead ALJs using criteria based on the U.S. Department of Labor (USDOL) standards for unemployment insurance (UI) cases and comparable standards for other caseloads. The USDOL standard for UI cases is 80% of cases reviewed score 85% or higher. OAH's higher standard is to have 98% of all cases reviewed score 85% or higher.

Figure 7.1-1 is a measure of unemployment insurance case quality and Figure 7.1-2 is a measure of all other cases (non-UI) quality.

Figure 7.1-1 UI Quality — UI Hearings and Orders Scoring at Least 85% on U.S. Department of Labor Evaluation

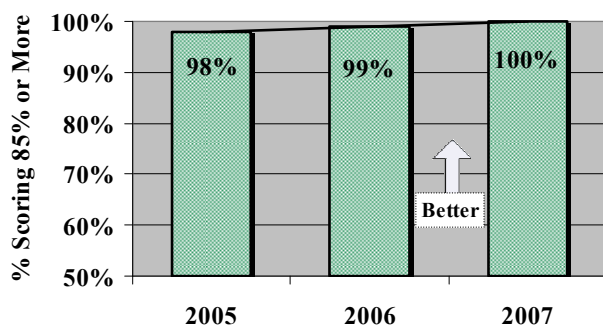


Figure 7.1-2 Non-UI Hearings and Orders Scoring at Least 85% on OAH Evaluation (Comparable to the U.S. Department of Labor's UI Evaluation)

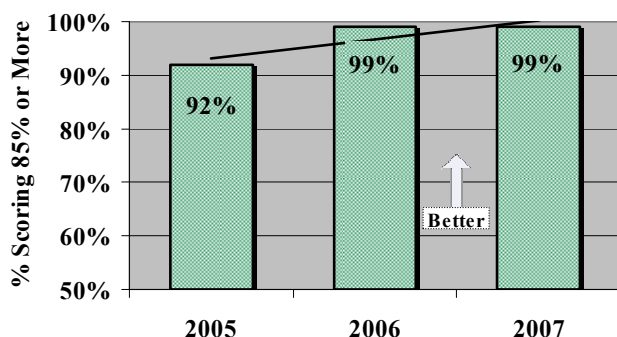
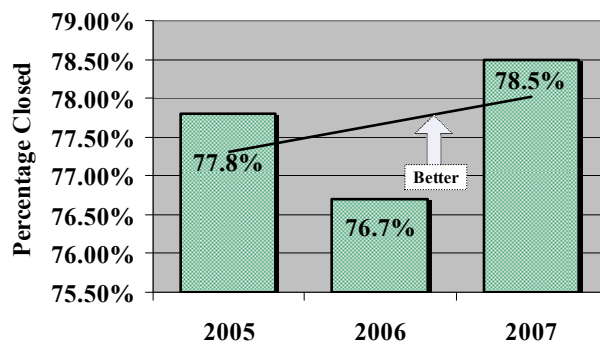


Figure 7.1-3 displays OAH timeliness in closing cases. OAH's goal is to close 80% of all cases within 90 days of the appeal filed date.

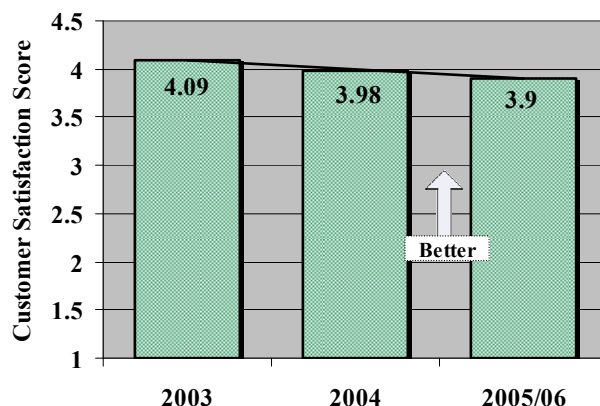
Figure 7.1-3 Percent of All Cases Closed w/in 90 Days



7.2 Customer-Focused Outcomes

7.2a(1) OAH uses a variety of methods to determine the satisfaction and dissatisfaction of its multiple customer groups, as well as their perceived value of its services. OAH captures customer concerns through surveys and communications, including scheduled meetings held with customer groups by senior leaders, senior and lead ALJs, and support supervisors, telephone calls (each office lists both a toll free number and a local telephone number in OAH brochures and on all hearing notices), in person contacts at the field offices, and complaint letters. OAH has a formal complaint process which is found both in the Washington Administrative Code and on the OAH website. OAH regularly surveys satisfaction among customer groups identified in P.1b(2) and Item 3.1. Customers rate OAH on timeliness, communication, and quality. Based on a five-point Likert scale from a low of 1 to a high of 5, the results of the 2003, 2004, and 2005/06 surveys were similar. See Figure 7.2-1.

Figure 7.2-1 OAH Customer Satisfaction Survey Scores



Of those responding to the 2005/06 survey, over 74 percent expressed satisfaction with the hearing process, regardless of whether the outcome was in their favor. While the outcome of the survey was mostly positive, there was indication that OAH could improve at responding more promptly to requests for information, scheduling hearings more quickly, and writing decisions that are easy to understand. In addition to the customer satisfaction surveys,

the Chief ALJ sent a letter with a brief set of questions to over forty key stakeholder organizations requesting feedback on what OAH was doing well and what could be done better. The results of that questionnaire rated OAH high for its courteous, cooperative, and professional staff. Suggestions for improvement were made regarding hearing schedules and other aspects of the hearing operation, and more ALJ training. In the next year, OAH plans to obtain comparative data regarding customer satisfaction levels from other central panel states and measure the results for similar questions against results from its own surveys.

7.2a(2) OAH listens to the “voice of the customer” (Item 3.1) and places an emphasis on customer-perceived value through various means, including constant communication with customer groups and individuals, training sessions in local communities with an emphasis on particular legal issues identified as important by customers in surveys and feedback from informal and formal complaints. The OAH website is a key method for reaching a majority of customers. The website includes links to free and low-cost legal services groups for those seeking representation, information regarding the hearing process in an easy-to-read question and answer format, as well as OAH’s hours of operation, field office addresses and directions, and instructions regarding filing a complaint. OAH has had most of the same client agency customers since its creation by the legislature in 1981, and many of its vendors—e.g., interpreters, court reporters—have provided services to OAH for several years. These long term relationships have provided OAH with organizational sustainability and are an indicator of future success in the government services market.

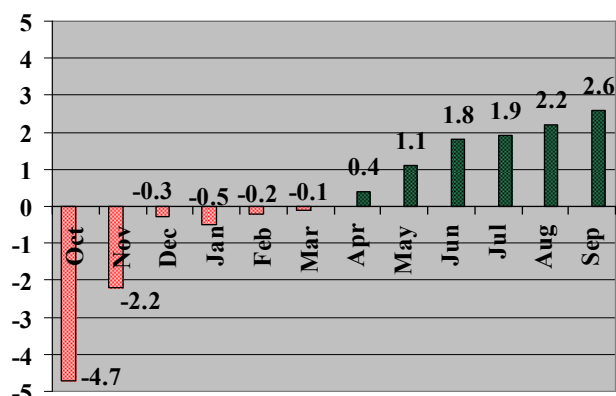
7.3 Financial and Market Outcomes:

7.3a(1) As a revolving fund agency, OAH bills its client agencies on a monthly basis for the actual cost of the hearings. At the end of each month, OAH compares the actual expenditures to the budget for each client agency to ensure OAH is spending within the budgeted amount. OAH also estimates the expenditures to the end of the biennium to ensure there is adequate budget to cover projected workload.

Figure 7.3-1 shows results of one measure of financial performance, which reflects an agreement between OAH and ESD. This agreement is reflected in a monthly report called the earned/used report and shows the hours OAH is allocated and earns by closing cases versus the hours used by OAH staff on ESD work. If OAH is living within the dollars allocated by ESD for appeals, the earned/used report should show a cumulative zero or positive in the number of positions each month. Figure 7.3-1 shows OAH’s cumulative results by month during FFY 07. The requirement is to be positive by September 30, the end of the federal fiscal year. OAH had difficulties during the first

six months, but was able to make staff and caseload adjustments to correct this, and was able to meet its target.

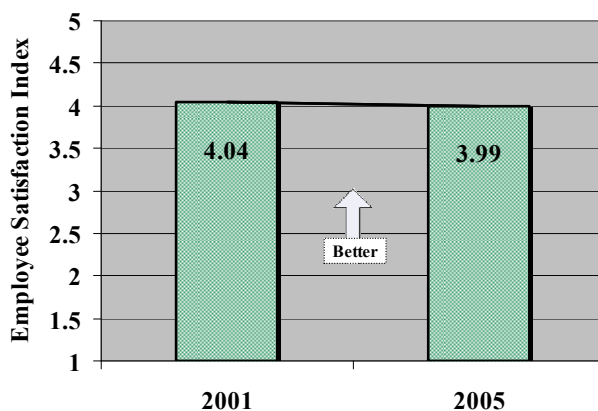
Figure 7.3-1 Cumulative Positions on the ESD Earned/Used Report - FFY2007



7.4 Workforce-Focused Outcomes:

7.4a(1) OAH employees participated in DOP administered employee satisfaction surveys in 2001 and 2005. OAH results are displayed in Figure 7.4-1. Employees rated issue statements on a scale of 1-5, with 5 being always or almost always.

Figure 7.4-1 OAH Employee Satisfaction Index From 2001 & 2005 Surveys.



In April 2006, OAH employees participated in a new employee satisfaction survey administered by DOP. Employees rated issue statements on the same scale as prior surveys a scale of 1-5, with 5 being Always or Almost Always. In addition, DOP granted OAH’s request to add two questions to the survey to measure and respond to employees’ overall satisfaction, needs, and areas of concern (“What do you like about your job?” and “What would you change about your job?”) Sixty-six percent (66%) of OAH employees completed the survey. OAH employees rated their satisfaction (on 7 of the 12 questions) higher than the state average (Figure 7.4-2).

Figure 7.4-2 OAH 2006 Employee Satisfaction Index (New Statewide Format) Compared with Other State Agencies' 2006 Employee Satisfaction Index

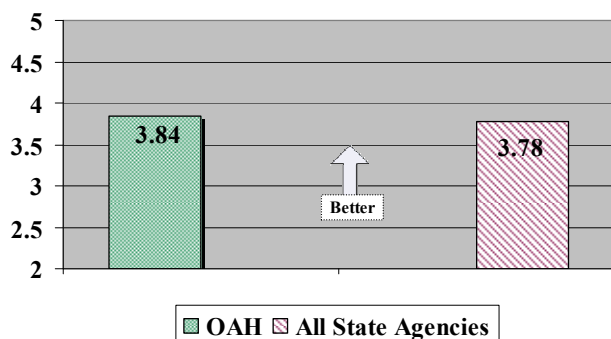


Figure 7.4-3 2006 Employee Satisfaction Index Detail

Employee Satisfaction Survey Question	OAH Avg Score	All Agencies Avg Score
1 – Employee Input on Decisions	3.72	3.5
2 – Receives Information	4.01	3.8
3 – Knows How Work Contributes	4.42	4.12
4 – Knows Expectations	4.5	4.28
5 – Opportunity to Learn and Grow	3.46	3.59
6 – Has Adequate Tools	3.78	3.76
7 – Treated With Respect	4.35	4.29
8 – Receives Ongoing Feedback	3.7	3.72
9 – Receives Recognition	3.25	3.34
10 – Evaluations Are Meaningful	2.94	3.39
11 – Held Accountable	3.95	4.14
12 – Knows Success Measurement	3.94	3.39

2006 Survey Questions:

1. I have the opportunity to give input on decisions affecting my work.
2. I receive the information I need to do my job effectively.
3. I know how my work contributes to the goals of my agency.
4. I know what is expected of me at work.
5. I have opportunities at work to learn and grow.
6. I have the tools and resources I need to do my job effectively.
7. My supervisor treats me with dignity and respect.

8. My supervisor gives me ongoing feedback that helps me improve my performance.
9. I receive recognition for a job well done.
10. My performance evaluation provides me with meaningful information about my performance.
11. My supervisor holds me and my co-workers accountable for performance.
12. I know how my agency measures its success.

OAH is focused on improving the five lower scoring questions (Questions 5,8,9,10, and 11) by implementing the PDP process for every employee. This plan includes a process to measure every employee's annual PDP date to ensure OAH formally evaluates every employee at least annually with appropriate and ongoing supervisor feedback on performance, and establishing a more robust training and recognition program. In 2007 senior leaders appointed two new agency training coordinators (one ALJ and one support staff member) to survey all employees' skills and training needs and develop training recommendations for the Chief ALJ and the EMT. In 2007, the coordinators conducted an online survey of all employees, reviewed the results and summary of data with the IT manager, and presented their recommendations. The Chief ALJ and EMT will determine the process for developing a comprehensive agency training plan, and will implement the plan in 2008.

The April 2006 survey was a new survey administered by DOP. The next employee satisfaction survey is scheduled for October 2007 and will also be administered by DOP. The results of the 2006 and October 2007 survey will allow OAH to compare data from the same questions. This information will help OAH measure whether the employees' needs are being met, and identify OAH's successes and areas of concern. OAH will review the data and will then strategize and outline objectives to address areas scoring less than the statewide overall averages or other areas of OAH concern.

7.4a(2) One of OAH's key goals is to enhance organizational capacity, efficiency, diversity, and competency in areas including staffing levels, retention, and appropriate skills. A key OAH value is respect for individuals and their contributions. OAH is proactive in recruiting and maintaining a workforce that reflects the diversity of the customers it serves and supports OAH's commitment to access to justice. See P.1a(3) and Figure P.1-3. Figure 7.4-4 shows OAH's workforce racial diversity compared with all Washington State agencies. Figure 7.4-5 shows OAH's workforce diversity compared with both Washington State agencies and Washington State's general labor force. Both charts demonstrate more diversity in the OAH workforce than either general state government or the state's workforce in general. OAH is

proud to maintain a very diverse, highly skilled and dedicated workforce.

All state agencies with more than 100 employees are required to report to the Department of Personnel regarding several HR categories, including recruitment and retention, training, and performance evaluations. In April 2007, DOP provided state agencies with an HR Management Report Roll-up. OAH compared its own results in the specific areas addressed by DOP with the overall average of state agencies' results in DOP's report. OAH compared favorably to the overall results from other state agencies. For example, 100 percent of OAH employees have current performance expectations compared with 83.4 percent of overall state employees. It takes an average of 40.1 days for OAH to fill job vacancies, compared with 67.1 days for other state agencies. OAH employee survey rating "productive workplace" is 3.9 compared with 3.8 overall (1-5 scale), and the rating for "employee commitment" was 3.9 compared with the overall rating of 3.6 for other state agencies. OAH has greater workforce diversity than the statewide averages (Figures 7.4-4 and 7.4-5). An opportunity for improvement arises with OAH having an ultimate outcome of 7.2 percent turnover (employees leaving state service) compared with 4.4 percent statewide. Compensation is the key reason most ALJs and support staff leave OAH. Both groups transfer to higher paying jobs in other state agencies, the private sector, or to transfer out of the high-cost Seattle area. OAH is addressing this issue with a focus on both the ALJ salary survey project and appropriate support staff reallocations to higher skilled positions at higher pay.

Figure 7.4-4 OAH Workforce Diversity Compared with Diversity in All State Agencies

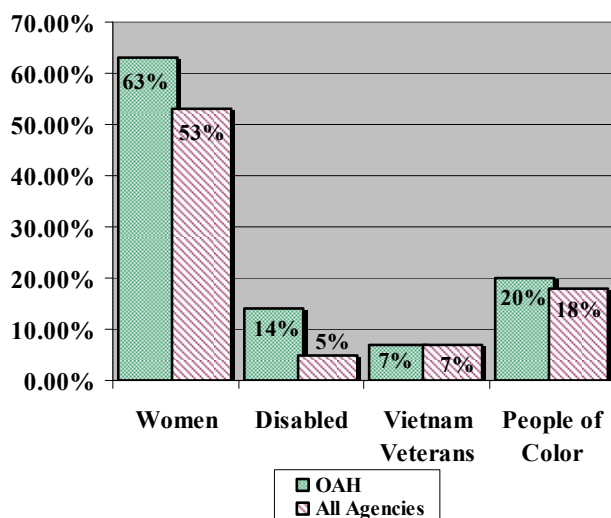
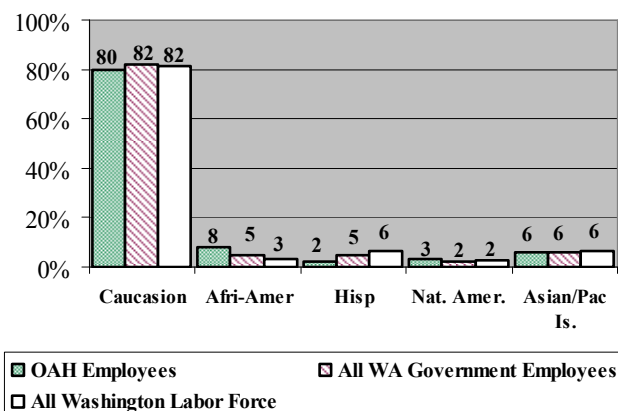


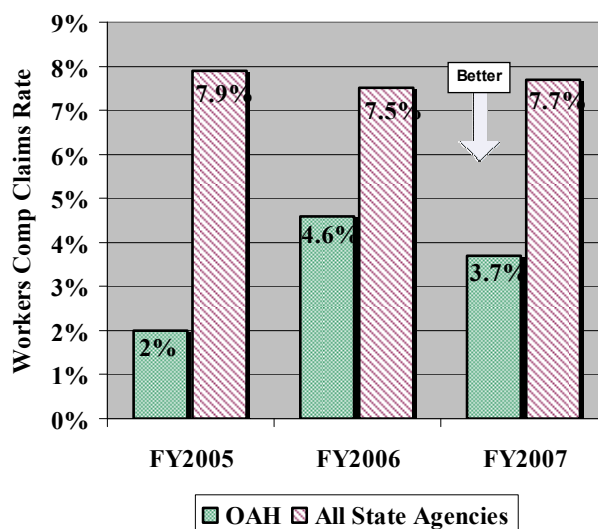
Figure 7.4-5 OAH Racial Diversity Compared With All State Agencies and State Workforce Racial Diversity



7.4a(3) OAH workforce climate and well-being of employees are top concerns for OAH, and OAH values reflect this. Safety training is an essential component of orientation and in field office safety committee meetings. Both the HR manager and HR assistant underwent L & I basic ergonomic training, and are scheduled to visit every OAH office and conduct ergonomic assessments of employees work environments. First-aid kits are available and emergency evacuation training is routinely held in every field office. At least one employee in each field office has a basic first aid/CPR certificate. OAH measures workplace accidents and injuries.

Figure 7.4-6 shows data on the number of on-the-job injury claims allowed by the Department of Labor and Industries.

Figure 7.4-6 Workers Compensation Claim Rate (Claims allowed per 100 FTEs) Compared with Average Number of Claims for All State Agencies

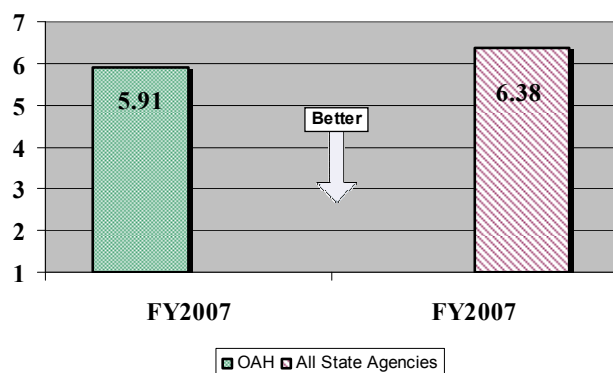


Employees are occasionally absent and are asked to notify their supervisors or other designated personnel so

supervisors can arrange appropriate work coverage. Employee supervisors follow up on unreported absences, as ongoing absentee calls might be indicators of dissatisfaction, burnout, illness of self or family member, or transportation problems.

The average number of non-vacation absentee days per year are shown in Figure 7.4-7. Such data is a measure of workplace health and employee satisfaction/morale. Absenteeism data is segmented by employee and is available on site.

Figure 7.4-7 Average Monthly Sick Leave Usage by OAH Employees Compared with Average Sick Leave Usage by Employees of All State Agencies (Per Capita)



Workforce security also involves effective management of angry or hostile hearing participants and is an integral indicator of employee well-being. Personal safety is measured by incidents of having security personnel appear in person for hearings at each field office, with a goal of no incidents. OAH responds quickly to requests for security in hearings and makes every effort to find alternatives to avoid in person appearances, such as converting an in person hearing to a telephone hearing, if possible. In addition, OAH approved construction of tempered-glass enclosures around the reception desk area in designated OAH field offices for security.

7.5 Process Effectiveness Outcomes:

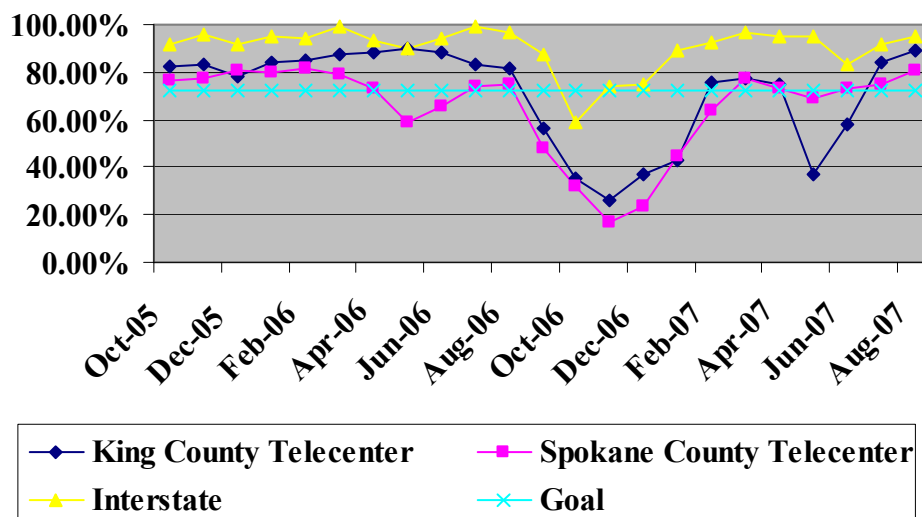
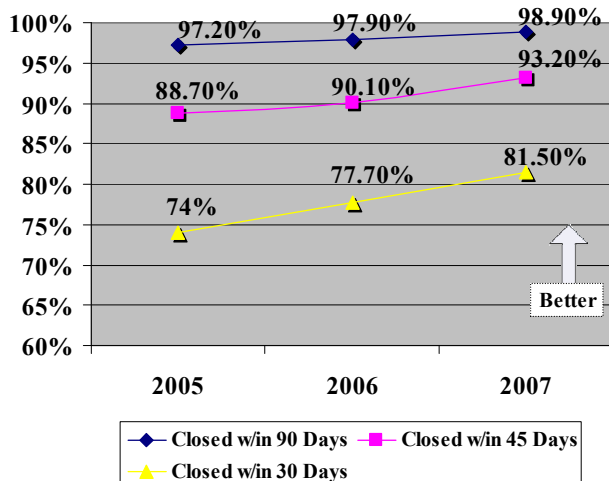
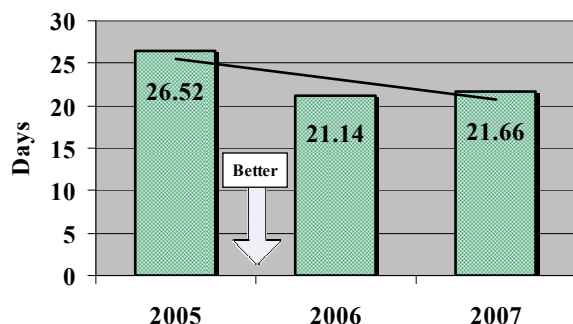
Hearing and decision timeliness are of utmost importance to OAH and its customers. OAH has implemented processes and measures to ensure that timely hearings and decisions are being provided. OAH measures timeliness by the age of open cases (average case age) and how swiftly closed cases

were completed. The two largest client agencies, DSHS and ESD, are part of the work system for developing processes that help speed their appeals through the system.

7.5a(1) Figure 7.5-1 displays the percentage of cases ESD Telecenters transmit to OAH within five days of the appeal filed date. It shows improvement after the Spokane County Telecenter and Spokane OAH instituted a new process of emailing appeals in November 2006.

7.5(2) The faster that OAH receives appeals, the faster they can be heard and decided. Figure 7.5-2 displays the percentage of UI cases closed within 30, 45, and 90 days of the appeal filed date. The federal standards for UI cases require that at least 60% of UI cases be closed within 30 days of the appeal filed date, 80% within 45 days, and 95% within 90 days. In addition to working with ESD to speed appeal transmission, OAH has implemented internal process improvements to increase timeliness. This included instituting internal goals of closing 80% within 30 days and 90% within 45 days.

OAH began measuring average case age (ACA) in 2005 when USDOL announced this would be a mandatory monthly measure. The average case age is measured at the close of business on the last day of the month and is based on the number of pending cases. The number of days each case has been open is calculated and then divided by the total number of open cases to get the average case age. The states began reporting data in 2005, and in December 2006 USDOL proposed that the acceptable level of performance (ALP) as 30 days, and that March was contemplated as the month of assessment. OAH has been below 30 days (lower is better) in every reported month. Figure 7.5-3 displays OAH's average case age for UI cases as of March of each year. Beginning with July 2006 the USDOL liaison for OAH has provided a monthly report with each jurisdiction's ACA score. In every month since then through May 2007 OAH has scored in a range of 19.73 to 21.72 ACA, and compared to other jurisdictions has ranked or been tied for ranks 10 through 14. OAH also has ranked higher than the other three central panel jurisdictions that adjudicate UI cases in all but three months.

Figure 7.5-1 Case Transmission Time from ESD to OAH by ESD Telecenter**Figure 7.5-2 UI Cases Closed Within 30, 45, and 90 Days****Figure 7.5-3 Average Age of All Unemployment Cases Measured in March of Each Year**

In December 2006, OAH began a process improvement effort focused on the public assistance caseload. The goal is to close 80% of all public assistance cases within 90 days of the appeal-filed date. Figure 7.5-4 shows the results of those efforts.

Below are some of the specific process improvements initiated in field offices:

1. Setting public assistance hearings every ½ hour
2. Mailing the Notice of Hearing sooner.
3. Checking the database for accuracy in noting open cases.

In June 2007, OAH added the child support cases to the process improvement focus. In an effort to make the measures uniform, OAH also established the goal of having 80% of all child support cases issued within 90 days of the appeal-filed date. Figure 7.5-5 shows the results for the same time period. Field office efforts included the following:

1. Limiting continuances (postponements) in child support cases to two weeks
2. Adding additional hearing slots specifically for continued cases
3. Using innovative, non-standard hearing schedules
4. Applying closer scrutiny to continuance requests, particularly regarding the length of time and number of continuances requested.

Several field offices implemented changes that benefited both DSHS caseloads. They included the following:

1. More training and increased awareness by the staff regarding timeliness issues in general.
2. Continuous processing of appeals versus batching the work.
3. Sticking a 90-day-date label on the files
4. Expanding the use of Pro Tem ALJs
5. Senior ALJs working more closely with Department representatives to find solutions
6. Creation of Lead ALJ position for assistance with field office management (Spokane, Vancouver, Everett)

The successful results of these efforts in the child support caseload is shown by the dramatic improvements noted in Figure 7.5-6. The average case age decreased from 273.72 days in April 2007 to 92.8 days in August 2007.

Figure 7.5-4 Percent of Public Assistance Cases Closed Within 90 Days

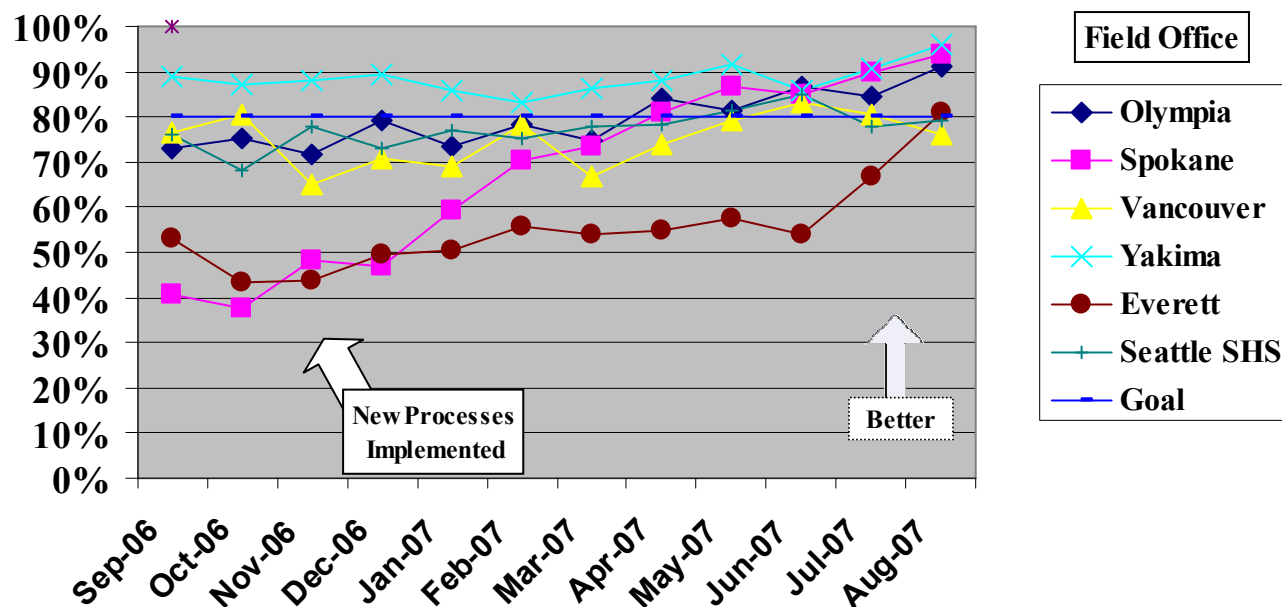


Figure 7.5-5 Percentage of Child Support Cases Closed Within 90 Days of Appeal

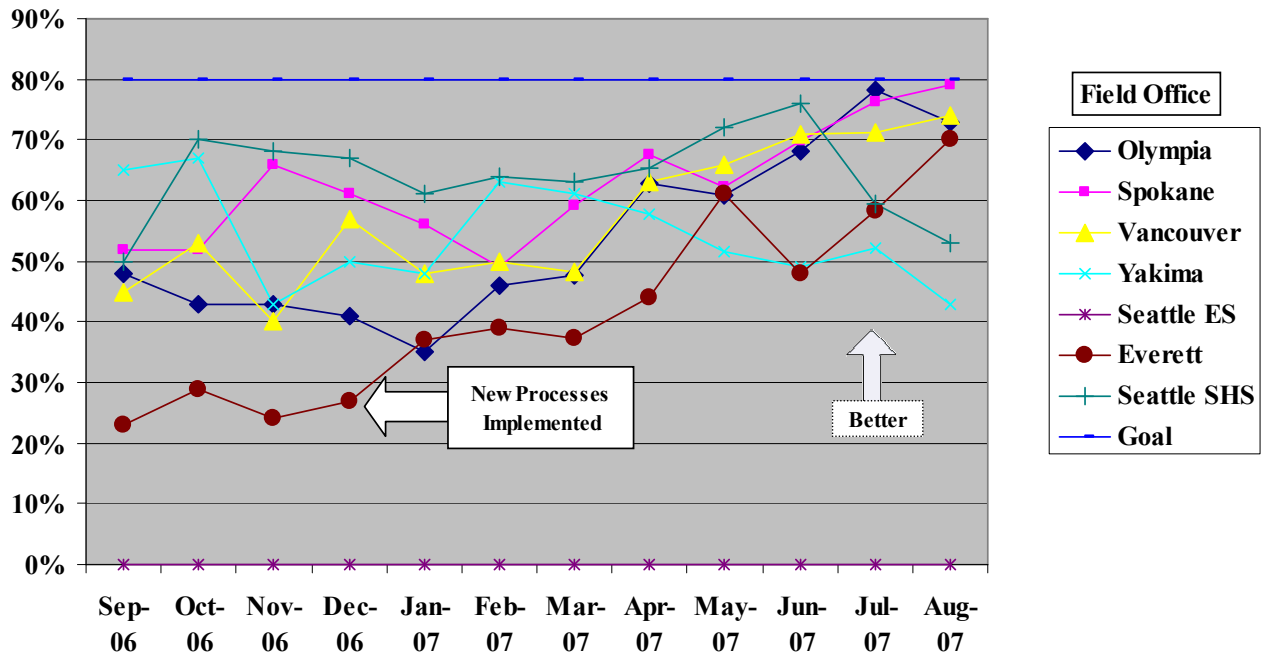
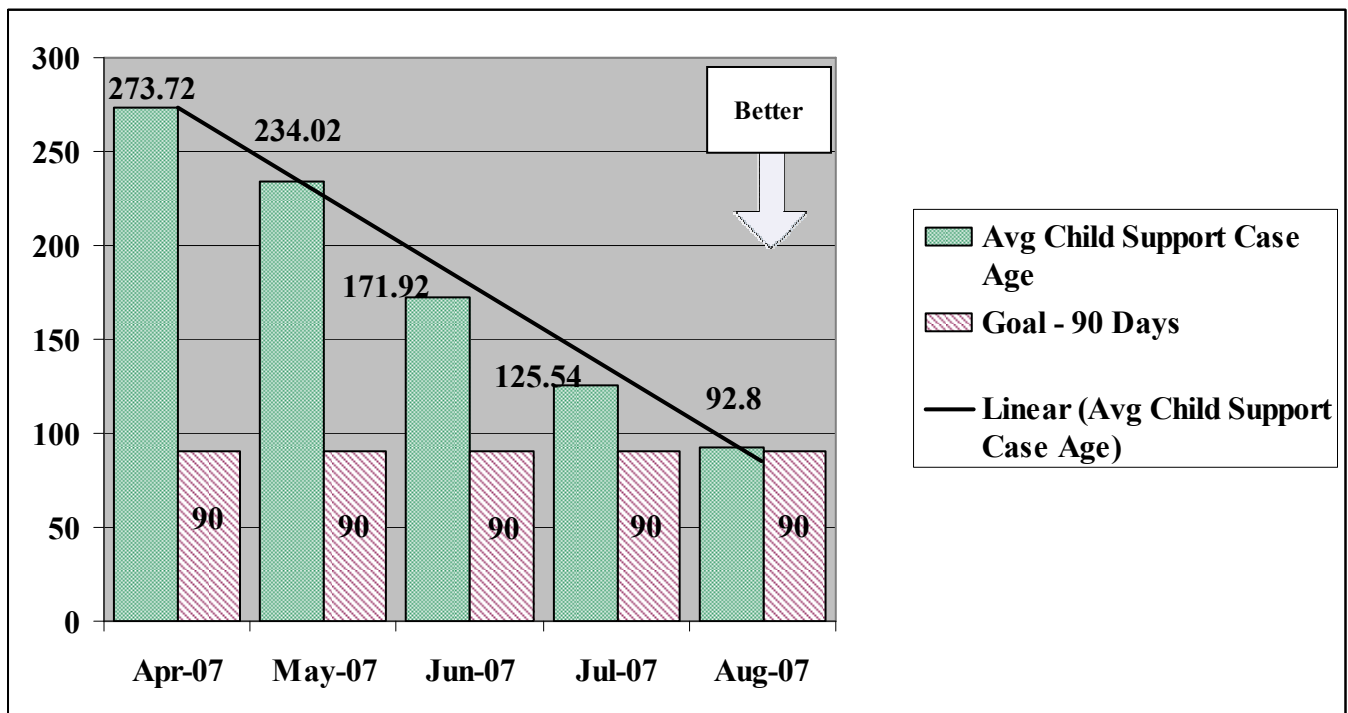


Figure 7.5-6 Average Child Support Case Age from April – August 2007 (Showing remarkable improvement after OAH implemented DSHS timeliness initiatives)



7.6 Leadership Outcomes:

7.6a(1) The Chief ALJ has refined the strategic objectives set out in Figures 2.1-3 and 2.1-4 into an overall comprehensive plan of what we hope to accomplish over the next one to two years. The specifics are as identified in

Figures 2.1-3 and 2.1-4. The results for key measures identified in Figure 2.1-3 concern direct service to customers and were reported in Items 7.1 and 7.4. The results for key measures displayed in 2.1-4 (organizational strategic objectives) vary depending on whether the action plan was for short or long term. Each of the technology

projects have been initiated, and the two identified as short-term, digital recording and Citrix, are being tested. The human resource action plans have also been initiated. The employee climate survey is presently on-going, employees have been surveyed on their training needs, the ALJ salary benchmark proposal was submitted to DOP, a proposal to upgrade clerical and legal positions has been submitted to DOP, the new teleworking policy has been drafted and the other policies are on track to be updated, the HR management report was submitted October 15, 2007, and it looks like 100% of employees will have current position descriptions and performance development plans by November 30, 2007. OAH is working with ESD on the funding issues. All the ALJs assigned to the SPI caseload are trained mediators and mediation is provided in that caseload. We will submit this WSQA application and will be using the Baldrige Criteria to get us where we want to be. In the last year all of our offices have been evaluated by the Department of Labor & Industries for compliance with safety laws, and we have made or are in the process of following the L&I consultants' recommendations. Our office consolidation project is in progress and due to be completed as set out in the action plan.

7.6a(2) One measure of stakeholder trust is the number of new caseloads coming to OAH. When stakeholders trust that OAH is efficiently and effectively handling both the number and type of cases that arise, not only do caseloads increase within those existing jurisdictions, but also the reputation spreads to other agencies and governmental entities that need an independent forum for dispute resolution. Significantly, during FY 07, OAH assumed jurisdiction over new cases involving school district boundary disputes for the Office of Superintendent of Public Instruction, relocation appeals for Sound Transit, surface mining stop work orders for the Department of Natural Resources (DNR), and derelict vessels for DNR.

OAH monitors employee ethical behavior by tracking the number of ethical breaches. Every three years OAH is audited by the State Auditor's Office. The goal is to receive zero audit findings (a finding means an ethical breach occurred). In 2006, OAH had one audit finding. During 2006, OAH's Financial Manager discovered an ethical breach involving an OAH employee's financial improprieties that occurred more than a year earlier. The State Auditor's Office investigated the case, which was referred for prosecution in superior court. The investigation and prosecution resulted in total reimbursement of funds to OAH, including OAH's expenses for the State Auditor's investigation, and criminal penalties for the embezzling employee. Both the Chief ALJ and the public information officer were transparent in communicating to employees, the media, affected stakeholders, and other interested parties about the circumstances and the later reimbursement of funds.

Workforce perceptions of organizational ethics are measured by employee survey results. OAH's prior employee satisfaction survey results in 2001 and 2005 scored in the 3.8 – 4.8 range (measuring satisfaction from a low of 1 to a high of 5) regarding questions such as "Our senior managers demonstrate our values through their actions," "I can clearly explain to others the direction (MVV) of OAH," "I can see a clear link between my work and OAH goals," and "In my work group, people are treated fairly without discrimination." The 2006 employee survey results were 81 percent positive—*i.e.*, responses were "always/almost always" or "usually") to the question "My supervisor treats me with dignity and respect." See Sections 1.2b(2) and 5.1a(1).

Another measure of ethical conduct is OAH's approach to meeting legal and regulatory requirements, standards, and compliance measures. Senior leaders have delivered a consistent message to all employees that OAH will strive to meet and exceed all known standards, and it will seek to identify system failures and improvements. One compliance result for ethical behavior was one audit finding in 2006 and the results of that audit (identified above). Another compliance result for measures or indicators of ethical behavior (1.2b[1] & [2]) include positive survey results on workforce perception of OAH values and senior leaders' commitment to those values. OAH has no other audit findings or other ethical breaches from any source (see Figure 1.2), including the Executive Ethics Board and the bar association.

7.6a(3) The ESD budget is a major concern and financial indicator for the agency. With a continuing caseload decrease, it has become a challenge to reduce our staffing levels to live within the allocated time and budget from ESD. In addition to the already declining caseload ESD has reduced our budget for federal fiscal years 2008 and 2009. Currently we are in discussions with ESD on a process to allow OAH more time to implement cost savings and efficiencies without the major budget reductions that were proposed.

The State Auditor's Office financial audit mentioned in 7.6a(2) resulted in an audit finding for OAH. The audit finding was centered on the embezzlement by a supervisor of the payroll unit. The audit finding stated that the agency did not have adequate internal controls over payroll which resulted in a misappropriation of \$55,360. The agency agreed with the State Auditor's finding and made changes to separate the duties for payroll to allow independent review by the agency financial manager. OAH also worked with the Prosecutor's office to ensure that the full amount of \$55,360 plus audit costs of \$15,825 was paid to OAH. OAH collected the full amount and reimbursed our five client agencies for their share of these expenditures.

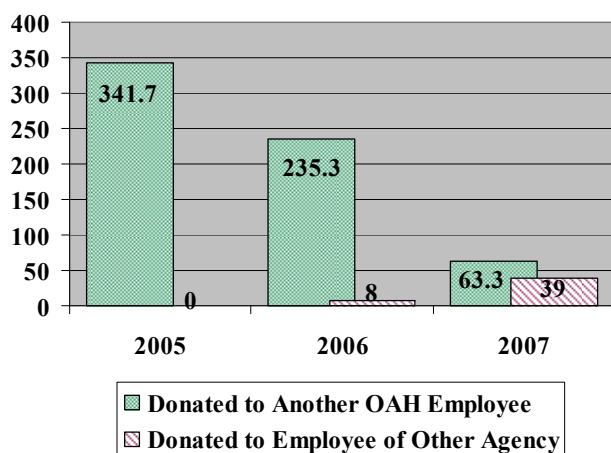
7.6a(4) Results for key measures or indicators of regulatory and legal compliance are reflected in OAH's adherence to

the laws and regulations that govern administrative hearings for each caseload. These results address requirements described in 1.2b and include the mandate for ALJs to be well-versed in relevant state and federal laws, OAH policies, and timeliness and quality goals, strategies, and objectives. OAH complies with state and federal fiscal requirements for equipment and services purchases, travel and other claims reimbursements, human resources issues for recruiting, hiring, corrective and disciplinary action, and reasonable accommodation.

7.6a(5) OAH senior leaders and employees actively support their communities by donating time to community outreach programs. See Figure 1.4. Actual hours donated are not yet formally tracked by OAH.

OAH actively participates in Washington State's Wellness Program. In 2007, every employee covered by the Uniform Medical Plan was invited to take an on-line wellness survey regarding a broad range of health and wellness issues. OAH employees take pride in donating accrued sick and/or annual leave to co-workers or other state employees in need due to illness. The leave donated to others is called shared leave. Figure 7.6-1 shows the number of hours donated by OAH employees. The decrease in shared leave hours to other employees can be explained, in part, by less hours requested due to healthier circumstances of employees and their families in 2007.

Figure 7.6-1 Sick Leave Hours Donated to Help Other Employees with Illness or Family Illness



OAH employees actively participate in their communities throughout the state. See Figure 1.4. Figures 7.6-2 and 7.6-3 show the level of employee participation in the Washington State Combined Fund Drive. Figure 7.6-2 demonstrates OAH's commitment to charitable giving and exceeds the state average for percent of employees participating.

Figure 7.6-2 OAH Employee Participation Percentage in the State Combined Fund Drive (Charity Drive)

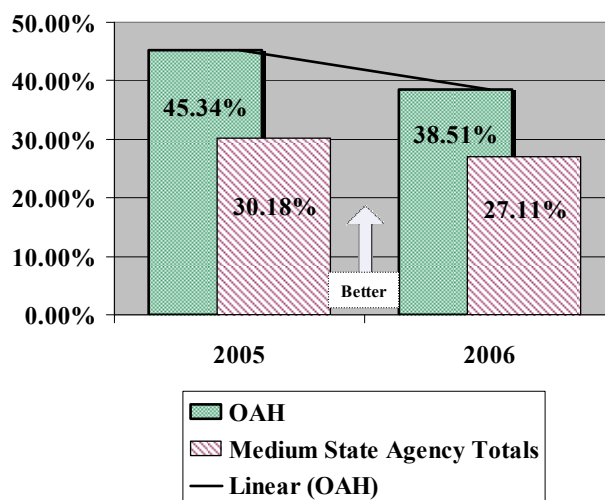
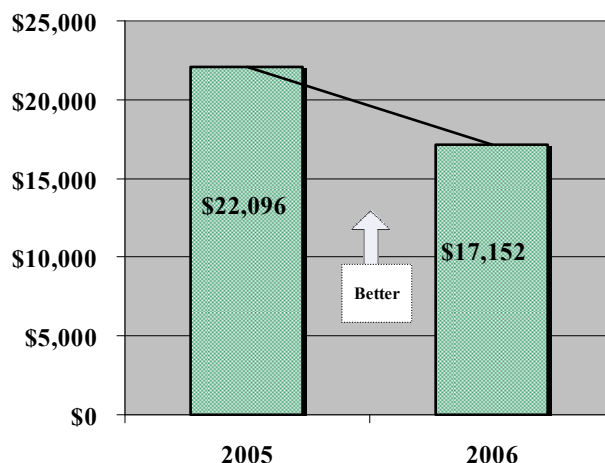


Figure 7.6-3 Total OAH Employee Pledges to the State Combined Fund Drive (Charity Drive)



In addition to the donations of time and leave by OAH employees, employees take advantage of training opportunities to broaden their skills and abilities and thereby better serve customers and key communities. In Figure 7.6-4, the total training hours for all OAH employees in 2007 increased from 2006, but still shows a significant decrease from training hours reported in 2005. This is explained, in part, by an increased emphasis on informal, non-reported training received by OAH employees. In addition to the formal, or reported, hours of training represented in Figure 7.6-4, hundreds of hours of informal, in-house training are provided to all employees by OAH. Interested employees with special skills, training, and/or expertise volunteer to train other OAH employees in various legal, technical, and HR-related areas. Also, OAH's training plan is being developed by senior leaders and will broaden the training opportunities currently provided to employees.

Figure 7.6-4 Total Hours of Training for All OAH Employees

